PART I

ELECTRONIC RETURN

FILE SPECIFICATIONS

FOR

INDIVIDUAL INCOME TAX RETURNS

TAX YEAR 2000

INTERNAL REVENUE SERVICE

ELECTRONIC TAX ADMINISTRATION

and

INFORMATION SYSTEMS ELECTRONIC FILING SECTION

August 21, 2000

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Introduction

This publication outlines the communications procedures, transmission formats, character sets, validation criteria, and error reject conditions for individual income tax returns filed electronically via telephone lines to participating Internal Revenue Service Centers. Also covered are the formats for statement records, examples of types of records, and explanations of the acknowledgment files transmitted to electronic filers.

The File Specifications (Part I) must be used in conjunction with the Record Layouts (Part II) and the corresponding version of the Handbook for Electronic Return Originators of Individual Income Tax Returns, Publication 1345. Software developers and transmitters should use both publications and must transmit test returns from the IRS developed Test Package for Electronic Filers of Individual Income Tax Returns, Publication 1436, which is revised yearly. Tax preparers who use a transmission service will need only Publication 1345.

Publication 1345, Publication 1346, and Publication 1436 are available from the Electronic Filing Units at the Andover, Austin, Cincinnati, Memphis, and Ogden Service Centers. They are mailed automatically to applicants as appropriate, based on their intended participation. You may also call 1-800-829-3676 for additional copies of publications.

This publication and its updates are also available on the Digital Daily web site at http://www.irs.gov/prod/elec_svs/pub1346.htm. In addition, they are available on the Electronic Filing System Bulletin Board System. The Electronic Filing Bulletin Board System (EFSBBS) operates seven days a week. The system is unavailable at 4:00 a.m. Eastern Time for about 30-60 minutes for maintenance. This system provides general Electronic Filing Program information as well as specific information concerning changes to this and other publications.

Filers using an asynchronous modem (14.4 or less) and communication software can access the bulletin board by dialing:

606-292-0137 or **859-292-0137**

The communication software should have the following protocol:
Full Duplex, No Parity, 8 Data Bits, and 1 Stop Bit.

Highlights for Tax Year 2000

New Form(s)/Schedule(s)
Twenty additional forms and one schedule will be accepted for Electronic Filing for Tax Year 2000:

Form 2106-EZ	- Unreimbursed Employee Business Expenses
Form 3468	- Investment Credit
Form 3800	- General Business Credit
Form 5884	- Work Opportunity Credit
Form 6478	- Credit for Alcohol Used as Fuel
Form 6765	- Credit for Increasing Research Activities
Form 8379	- Injured Spouse Claim and Allocation
Form 8801	- Credit for Prior Year Minimum Tax
Form 8820	- Orphan Drug Credit
Form 8824	- Like-Kind Exchange
Form 8826	- Disabled Access Credit
Form 8830	- Enhanced Oil Recovery Credit
Form 8834	- Qualified Electric Vehicle Credit
Form 8835	- Renewable Electricity Production Credit
Form 8844	- Empowerment Zone Employment Credit
Form 8845	- Indian Employment Credit
Form 8846	- Credit for Employer Social Security & Medicare Tax…
Form 8847	- Credit for Contributions to Selected Community Development Corp.
Schedule A (Form 8847)	- Receipt for Contribution to a Selected CDC
Form 8859	- District of Columbia First-Time Homebuyer Credit
Form 8861	- Welfare-to-Work Credit

e-file Standardization Changes

- The first 42 characters of each record within the tax return compose the Record Control Information which includes the Record ID Group.
- All ratio/percentage fields are 6 positions.
- Record ID Group is not bracketed when using variable format.
- The file record layouts for TRANA, TRANB, RECAP, ACK KEY, ACK ERR, ACK RECAP and Summary Records have been revised.
- Attachment Sequence Numbers are no longer used in the ACK ERR record. Instead, the actual Record ID type and Form Number are used.

New Record Types

Four new records types have been added to the ELF programs:

- Authentication Record
- Preparer Note Record
- Election Explanation Record
- Regulatory Explanation Record

New Trading Partner/Transmitter Interface Prompts to Transmit

Beginning Tax Year 2000, transmissions will not be validated during receipt of the file. AFTER the "Transmission Successful to EFS" and "Disconnecting from EFS" messages, only will the transmission be validated.

When the first transmission error is encountered, the Front End Processor (FEP) will discontinue validation and generate the appropriate error message in a Communication Error Acknowledgement File. It is recommended that the transmitter re-validate the entire file before re-transmitting corrections to alleviate subsequent communication errors which will generate additional Communication Error Acknowledgement file(s).

The "Transmission Successful to EFS" only indicates the file transfer to EFS is finish. If a problem occurs a Communications Error Acknowledgement (ACK) will be generated and will be available to the Transmitter the next time the transmitter logs on to the FEP.

Transmitters must wait for the "DISCONNECTING FROM EFS" message or the 60 seconds timeout.

New Communications Error Acknowledgement Messages

- "NO RECAP RECORD RECEIVED; POSSIBLY DUE TO A LINE PROBLEM OR IMBEDDED "#" WITHIN RECORD".
- "SESSION ABNORMALLY TERMINATED; WAIT FOR IRS TO DISCONNECT".
- "DISCONNECTING FROM EFS".

Return Volumes

A maximum of 10,000 returns per transmission can be filed. Dial-up filers using ZMODEM with Checkpoint/Restart can file more than 500 returns per transmission with a maximum of 10,000 (Return Sequence Numbers 0000 – 9999). Dedicated leased line filers can file a maximum of 10,000 returns.

Form Payment

Electronic Filing has updated its direct debit feature to enable filers with a balance due to also authorize a direct transfer of an estimated tax payment from their checking or savings account. Electronic filers will continue to have the option of filing early and setting a date no later than April 16th for automated payment of the balance due. In addition, filers will have the option to schedule one Form 1040ES payment with an effective date of April 16, 2001; June 15, 2001, or September 17, 2001. The ACK KEY record in the Acknowledgement File will now indicate when a payment record is received on an accepted return.

Self-Selected PIN for e-file

The Self-Select PIN is a new program that will begin next filing season, January 2001. It is an outgrowth from both the Practitioner PIN Pilot and the e-file Customer Number (ECN) Pilot: it's truly paperless. Taxpayers nationwide will have the option of selecting their own Personal Identification Number (PIN), providing IRS with two pieces of information from their prior-year tax return (AGI and Total Tax) and filing electronically without any paper. The ACK KEY record in the Acknowledgement File will now indicate when a Self-Select PIN is present on an accepted return.

Foreign Addresses

IRS *e-file* will be accepting electronically filed Forms 1040, 1040A, and 1040EZ with addresses from foreign countries and from the U.S. possessions of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U. S. Virgin Islands.

Addresses from the U.S. possessions will be formatted as U.S. addresses. Addresses from the foreign countries will be formatted using new foreign country address fields.

All returns with foreign addresses will be transmitted to the Andover node at the Austin Service Center and acknowledged by the Andover Service Center and forwarded to the Philadelphia Service Center for final processing.

Editorial Changes

Changes made for Tax Year 2000 are noted by a single vertical bar in the right margin (|). Deletions are noted by a hyphen followed by a single vertical bar (-|).

An attempt was made to include as many changes as possible before publication. Any changes made after publication will be posted to the Electronic Filing Bulletin Board System.

See Publication 1346 Part III for Highlights for Electronic Transmitted Documents (ETD) File Specifications and Record Layouts.

Comments and Suggestions

Please send any comments or suggestions regarding Sections 1-3 to:

Internal Revenue Service
Daphney McCray, OP:ETA:**I:I**, NCFB **C4-188** |
5000 Ellin Rd.
Lanham, MD 20706

Please send any comments or suggestions regarding Section 12 of Part I to:

Internal Revenue Service
Federal/State Electronic Filing Program
Joyce Colbert, OP:ETA:I:T, NCFB C4-**245** |
5000 Ellin Rd.
Lanham, MD 20706

Please send any comments or suggestions regarding Section 13 of Part I to: |

Internal Revenue Service |
Thomas Bruce, OP:ETA:I:T, NCFB C5-120 |
5000 Ellin Rd. |
Lanham, MD 20706 |

Please send any comments or suggestions regarding the Publication 1346 (except for Sections 1, 2, 3, 12, and 13) to:

Internal Revenue Service
Corliss N. Brooks, OP:ETA:I:T, NCFB C4-275
5000 Ellin Rd.
Lanham, MD 20706

Section 1 - Data Communications

Most Electronic Filers will transmit over the Public Switched Telephone Network to the Austin, TX or to the Tennessee Computing Center in Memphis.

NOTE: In 1996, IRS began phasing in a UNIX-based Front End Processing Subsystem (FEPS), also known as the Electronic Management System (EMS), at TCC to eventually replace all of the IBM Series/1 Data Communications Subsystem (DCS). In processing year 1997, the Tennessee Computing Center (TCC) replaced the Series/1 DCS with the new FEPS. Beginning with processing year 1997, the Austin Service Center (AUSC) also began phasing in the FEPS and in 1999 phased out the IBM Series/1. Beginning with PATS 1999, the IBM Series/1 mini-computers will be retired from Andover (ANSC), Cincinnati (CSC), and Ogden Service Center (OSC). Instead of installing the new FEPS in these centers, the following transmission rules apply:

Returns using ANSC EFINs and ETINs must be transmitted to the AUSC.
Returns with AUSC EFINs and ETINs must be transmitted to the AUSC.
Returns with CSC EFINs and ETINs must be transmitted to the TCC.
Returns with MSC EFINs and ETINs must be transmitted to the TCC.
Returns with OSC EFINs and ETINs must be transmitted to the AUSC.
After pre-processing on the FEPS, the returns will be routed to their appropriate UNISYS machines. Returns will continue to be numbered and owned by the original home service centers. Returns are not to be transmitted as if they were AUSC or MSC EFINs or ETINs, unless they should belong to AUSC or MSC since this will cause delays in processing and workload imbalances. All inquiries regarding transmission, rejects, problems, PATS should be directed to ANSC, AUSC, CSC, MSC, or OSC as appropriate.

NOTE: Transmitters who expect to handle a large volume of electronic returns may request to lease their own dedicated line(s) at either AUSC or TCC. They must arrange to lease and install the lines and purchase modems at both ends. They may also purchase equipment to use one of the high-speed transfer protocols, such as FTP, on 56kbs or ISDN lines at either AUSC or TCC. For more information and approval, contact:

Internal Revenue Service
ATTN: Darryl Giles
EMS Development Section
IS:S**D:SP:EI:ES**
NCFB **A4-258**
5000 Ellin Rd.
Lanham, MD 20706

NOTE: The IRS systems are designed to handle large **volume** transmissions. The practice of transmitting many small batches saturates the indices and degrades the systems. Dial-up transmitters should file no more than 500 returns in one transmission. If fewer than 500 returns are to be transmitted, they should be filed not more than once per drain.

Dedicated, leased line filers may file up to **10,000** returns per transmission | **(Return Sequence Numbers 0000-9999)**; if less than **10,000** returns, file once | per drain. **Dial-up filers using ZMODEM with Checkpoint/Restart can file more | than 500 returns per transmission.** Transmitters using high-speed protocols | may file **no** more than **10,000** returns per transmission. Peak filing occurs | around the "drain" times, which are posted on the Electronic Filing Bulletin Board System. (606 or **859**) 292-0137 – not a toll-free call) |

Section 1 – Data Communications

.01 IRS Front-end Processing Subsystem (FEPS)

1. Asynchronous (Async) Communications Specifications

   The FEPS support the following:

   a. Line Speeds
      1200 – 56,000 bps

      Note: IRS recommends the fastest speed possible to reduce transmission times and costs.

   b. Modems
      All Dial-up modems must be Hayes-compatible. All leased-line async modems must be the same at both the IRS and the transmitter sites.

   c. File Transfer Protocols (IRS Code in parentheses)
      (1) XMODEM-CRS (C, c)
      (2) XMODEM Checksum (X, x)
      (3) XMODEM-1K (K, k)
      (4) YMODEM-G (G, g)
      (5) YMODEM-Batch (Y, y)
      (6) ZMODEM (Z, z)

      Transmitters may use any telecommunications software if it is compatible with the above file transfer protocols.

   d. Character Codes

      American Standard Code for Information Interchange (ASCII)

   e. Industry Standards
      (1) Data
         (a) Industry Standard 103
         (b) Industry Standard 212A
         (c) ITU-T V.22
         (d) ITU-T V.22 bis
         (e) ITU-T V.32
         (f) ITU-T V.32 bis
         (g) ITU-T V.34
         (h) ITU-T V.34
         (i) ITU-T.V.90
      (2) Error Control
         ITU-T V.42
      (3) Data Compression
         (a) ITU-T V.42 bis
         (b) MNP 5

         NOTE: IRS does offer ZMODEM data compression.

      (4) Error Compression
         MNP 2-4

      (5) Duplex
         New communication software usually defaults to full duplex, but older software may prompt for duplex, in which case, you should response with “full”.

Section 1 – Data Communications

.01 IRS Front-end Processing Subsystem (Continued)

2. **Trading Partner/Transmitter Interface (TPI)**

The Trading Partner/Transmitter Interface (TPI) of the Front-End Processing Subsystem (FEPS) has two components: the Operating System Interface (OSI) and the Electronic Filing Systems Interface (EFSI). The OSI prompts and messages are in upper/lower case, while the EFSI prompts and messages are in upper case. At any time while responding to a prompt, including entering the login identification and password, the transmitter can use the Backspace key (also generated by simultaneously entering the Control ("**Ctrl**") and "**h**" keys). All responses may be in upper or lower case EXCEPT the **password**, which is **case-sensitive** and must be entered with the exact case as it appears in the Transmitters Profile DataBase (TPDB).

All responses are echoed back except the password. On default prompts, the cursor will be to the right of the right bracket "**]**".

3. Asynchronous Communications Transmitter Interface

After dialing the assigned telephone number to the FEPS, the transmitter must first enter the line feed "**<lf>**" character, which typically can be generated by simultaneously entering the Control ("**Ctrl**") and "**j**" keys. This alerts the Operating System to transmit either an ASCII login -| prompt.

NOTE: The UNIX FEPS machines at AUSC and TCC will automatically send operating system and machine information after the login. An example of an incorrect password scenario below shows UNIX system information.

4. Normal Asynchronous Transmission

Boldface text indicates information sent by the transmitter. The system will echo transmitter input and send a carriage return "**<cr>**", followed by line feed "**<lf>**" after receipt of a "**<cr>**" from the transmitter.

Section 1 – Data Communications

.01 IRS Front-end Processing Subsystem (Continued)

Normal Async Transmission Example:

<lf><cr><lf> [1]
U.S. DEPARTMENT OF TREASURY INTERNAL REVENUE SERVICE SYSTEMS<cr><lf>
UNAUTHORIZED USE MAY RESULT IN CIVIL AND/OR CRIMINAL PENALTIES<cr><lf>
<cr><lf>
System Name: tccdaf01<cr><cr><lf> [2]
<cr><cr><lf>
login: **12345<cr>**<cr><lf> [3]
Password**:<password><cr>**<cr><lf> [4]
UNIX System V/386/486 Release 4.0 Version 3.0<cr><lf> [5]
tccdaf01<cr><lf>
Copyright © 1984, 1986, 1987, 1988, 1989, 1990 AT&T<cr><lf>
Copyright © 1987, 1988 Microsoft Corp.<cr><lf>
Copyright © 1990, NCR Corp. <cr><lf>
All Rights Reserved<cr><lf>
Last Login: Tue Apr 25 10:05:23 on term/01s<cr><lf> [6]
<cr><lf>
<cr><lf>
FILE TRANSFER PROTOCOL INDICATOR: [X] **Z<cr>**<cr><lf> [7]
<cr><lf>
<cr><lf>
ARE YOU READY TO RECEIVE ACKNOWLEDGMENT FILE(S) - (Y/N)? [N] y[8]<cr><lf>
<cr><lf>
ACKNOWLEDGMENT FILE TRANSMISSION COMPLETE - <cr><lf>[9]
<cr><lf>
ARE YOU READY TO SUBMIT YOUR TRANSMISSION FILE - (Y/N)? [N] y[10]<cr><lf>
<cr><lf>
EFS READY TO RECEIVE
TRANSMISSION SUCCESSFUL TO EFS – Syyyymmddhhmmss.xxxx [11] – mmddyyyy-hhmmss[12] - eeeeennn[13]<cr><lf>
DISCONNECTING FROM EFS[14]

1 The <lf> signals the FEPS to read, interpret, and send appropriate ASCII "login".
2 "ausdafnn" or "tccdafnn" - FEPS at AUSC or TCC. Note the space after "System Name:".
3 Note the login user id is the 5-digit ETIN. Note the colon after "login:".
4 Password is 6-8 alphanumeric characters, case-sensitive.
5 The UNIX copyright information will print.
6 UNIX will also print information on the last time a failed and successful login occurred. See examples below.
7 The File Transfer Protocol from the Transmitter Profile Data Base (TPDB) is in brackets and can be overridden in each transmission by entering a different protocol indicator, but does not automatically change the TPDB. Entering a carriage return accepts the default. Valid values are C, c, G, g, K, k, X, x, Y, y, Z, z.
8 Acknowledgment files will be transmitted from FEPS after transmitter enters "Y" or "y", followed by a carriage return "< cr>".
9 Transmitter sends returns, if there are any. Transmitter has 60 seconds to begin file transfer before being disconnected. **The default is "N".**
10 **Transmitter responds with "Y" or "y" followed by carriage return. If transmitter enters any character other than "y/Y" or "n/N", the system will disconnect the transmitter without creating any acknowledgement file. The system will display "DISCONNECTING FROM**

Section 1 – Data Communications

.01 IRS Front-end Processing Subsystem (Continued)

EFS".

[11] **The Global Transaction (GTX) Key generated by EDAF**

S = EDAF System ID
YYYY = Year, Year, Year, Year
MM = Month, Month
DD = Day, Day
hh = hour, hour
mm = minute, minute
ss = second, second
xxxx = microseconds

[12] The FEPS also sends time/stamp information in the older format:

mm = month, month
dd = day, day
yyyy = year, year, year, year
hh = hour, hour
mm = minute, minute
ss = second, second

[13] The official EFS file name that will be used in the ACK File:

eeeee = 5 digit ETIN
nnn = 3 digit sequence number of your transmission.

[14.] **Transmitter must wait for the "DISCONNECTING FROM EFS" message or 60 seconds timeout, else the system will create error ACK.**

.01 IRS Front-end Processing Subsystem (Continued)

The Transmitter Profile Data Base (TPDB) keeps track of the sequence number for the ETIN to date. The combination of the ETIN and sequence number is the File Name on the EFS System. The file name is linked to your acknowledgment files and can be searched by the Help Desk Staff to research the status of a transmission.

The Global Transaction (GTX) key is the file name on the UNIX FEPS machines and can also be used by the Help Desk Staff to research the status of a transmission. However, the Acknowledgment File Name continues to be the EFS File Name of ETIN and sequence number.

6. Incorrect Password Scenario

   If the user enters an incorrect ETIN or incorrect password three times, the system will disconnect. Each occurrence will generate a "**Login incorrect**" message, except for the third time, in which case, the EFS will generate an Error Acknowledgment file, which will be transmitted the next time the transmitter logs in to the system. Immediately after the next successful login, the transmitter will also receive a message regarding each previous failed login attempt. See the following examples.

Section 1 – Data Communications

.01 IRS Front-end Processing Subsystem (Continued)

Incorrect Password Example:

```
<lf><cr><lf>
U. S. DEPARTMENT OF TREASURY  INTERNAL REVENUE SERVICE SYSTEMS<cr><lf>
UNAUTHORIZED USE MAY RESULT IN CIVIL AND/OR CRIMINAL PENALTIES<cr><lf>
<cr><lf>
System Name: tccdaf01<cr><cr><lf>
<cr><cr><lf>
login: 12345<cr><cr><lf>
Password:<passwords><cr><cr><lf> [1]
Login incorrect<cr><lf> [2]
login: 12345<cr><cr><lf>
Password:<password><cr><cr><lf> [3]
   ---failed login attempt: Tue May 2 15:03:18 on term/01s<cr><lf>
   ---failed login attempt: Wed Jun 21 09:15:16 on term/01s<cr><lf> [4]
UNIX System V/386/486 Release 4.0 Version 3.0<cr><lf> [5]
tccdaf01<cr><lf>
Copyright © 1984, 1986, 1987, 1988, 1989, 1990 AT&T<cr><lf>
Copyright © 1987, 1988 Microsoft Corp.<cr><lf>
Copyright © 1990, NCR Corp. <cr><lf>
All Rights Reserved<cr><lf>
Last Login: Tue May 2 11:13:41 on term/01s<cr><lf> [6]
<cr><lf>
<cr><lf>
FILE TRANSFER PROTOCOL INDICATOR: [X] z<cr><cr><lf>
<cr><lf>
<cr><lf>
ARE YOU READY TO RECEIVE ACKNOWLEDGMENT FILE(S) - (Y/N)? [N] <cr><lf>
<cr><lf>
ACKNOWLEDGMENT FILE TRANSMISSION COMPLETE - <cr><lf>[7]
<cr><lf>
ARE YOU READY TO SUBMIT YOUR TRANSMISSION FILE - (Y/N)? [N] y[8]<cr><lf>
<cr><lf>
EFS READY TO RECEIVE
TRANSMISSION SUCCESSFUL TO EFS – Syyyymmddhhmmss.xxxx – mmddyyyy-hhmmss
eeeeennn<cr><lf>
DISCONNECTING FROM EFS[9]
```

1 Incorrect password is 9 bytes long. Must be 6-8 characters and be valid for login ETIN.

2 "Login incorrect" message will appear for two incorrect attempts. If the third attempt is not successful, the transmission will be disconnected. The next time the transmitter logs on, an Error Acknowledgment File will be transmitted with the error message "**MAXIMUM NUMBER UNSUCCESSFUL LOGON ATTEMPTS REACHED**".

3 Correct password.

4 The UNIX FEPS machine will send " **--failed login attempt ...**" after successful login for each failed login since last successful logon.

5 UNIX FEPS machine and operating system information will appear.

6 UNIX Operating System informs transmitter about last successful logon.

7 **Transmitter sends returns, if there are any. Transmitter has 60 seconds to begin file transfer before being disconnected. The default is "N".**

.01 IRS Front-end Processing Subsystem (Continued)

8 **Transmitter responds with "Y" or "y" followed by carriage return. If transmitter enters any character other than "y/Y" or "n/N", the system will disconnect the transmitter without creating any acknowledgement file. The system will display "DISCONNECTING FROM EFS".**

9 **Transmitter must wait for the "DISCONNECTING FROM EFS" message or 60 seconds timeout, system will create error ACK.**

7. Suspended Transmitter

   If a transmitter has been suspended from Electronic Filing, after successful login, the filer will receive the message "**SUSPENDED TRANSMITTER / ETIN<cr><lf>**".

8. Invalid File Transfer Protocol Indicator (FTP)

   During Participants Acceptance Testing, transmitters are requested to indicate to the Help Desk the File Transfer Protocol (FTP) they intend to use. The FTP is stored in the Transmitter Profile Data Base (TPDB). When the EFS prompts the user for the FTP indicator, the FTP from the TPDB appears in square brackets. The cursor will appear after the right bracket, so the transmitter can enter a carriage return "<cr>" to accept the default value. If a different FTP is being used for the current transmission, the transmitter must respond with a single character for one of the permitted FTP's, followed by a carriage return "<cr>". **NOTE**: This override does not replace the value in the TPDB.

   If no FTP is present in the TPDB, a blank will appear in the square brackets. In the space after the right bracket, the transmitter must enter a valid FTP from the list found under Asynchronous Specifications. **NOTE**: Entering the FTP during transmission does not modify the TPDB. If the transmitter enters an incorrect value when there is no default value present, the EFS generates the message "**INVALID FILE TRANSFER PROTOCOL - TRY AGAIN<cr><lf>**".

   This message will appear after the second invalid attempt. After the third invalid attempt, the EFS will disconnect the transmitter and generate an Error Acknowledgment containing the error message **"MAXIMUM NUMBER UNSUCCESSFUL LOGON ATTEMPTS REACHED"**, which will be transmitted the next time the transmitter logs on to the system.

   To change or add the FTP to the TPDB, call the Help Desk Staff at **ANSC.**

   After dialing the assigned telephone number to the FEPS, the transmitter must first enter the line feed "**<lf>**" character, which typically can be generated by simultaneously entering the Control ("**Ctrl**") and "**j**" keys. This alerts the Operating System to transmit either an ASCII login -| prompt.

9. Logon Validation Specifications

Boldface text indicates information sent by the FEPS.

a. After dialing the FEPS, enter the line feed character "**<lf>**" (typically generated by simultaneously entering control ("**Ctrl**") and the letter "**j**" key).

<lf>

The FEPS will determine the appropriate ASCII code in all prompts -| and messages. The first message the FEPS will send is the following:

<cr><lf>U.S. DEPARTMENT OF TREASURY INTERNAL REVENUE SERVICE SYSTEMS<cr><lf>UNAUTHORIZED USE MAY RESULT IN CIVIL AND/OR CRIMINAL PENALTIES<cr><lf>
System Name: tccdaf01<cr><cr><lf> tccdaf01 or tccdaf02 or ausdaf10, etc.
<cr>cr><lf>
login: (Note one blank after the colon. This prompt is lower case.)

If no response is received from the FEPS within 60 seconds and the line was disconnected, call the Help Desk.

b. Enter the Electronic Transmitter Identification Number (ETIN) followed by a carriage return <cr>.

12345<cr>

The system will echo with:

<cr><lf>

NOTE: The ETIN entered here in the login must agree with the ETIN used in the TRANA.

c. After the ETIN is entered, the system prompts with:

Password:passwords (No blank follows the colon. Note the prompt is upper/lower case.)

The password is case sensitive. It must be entered exactly as issued by IRS. If the password in combination with the ETIN is not valid, the following message is sent back to the Transmitter:

Login incorrect<cr><lf> The password entered above exceeds the number of allowable characters.

If the third attempt at entering either the ETIN or Password is incorrect, no message will be sent, and the line will be disconnected. The next time the transmitter logs on, the following Communications Error Acknowledgment File will be sent:

MAXIMUM NUMBER UNSUCCESSFUL LOGON ATTEMPTS REACHED

d. After passing correct ETIN and Password validation, the FEPS will respond with messages regarding previous incorrect login attempts since the last successful login.

--failed login attempt: (Date and time will be given. Note the message is preceded by three blanks and two hyphens and is lower case. This message is not 80 bytes. This message will be followed by <cr><lf>.)

e. UNIX System information will be sent to the transmitter automatically by the FEPS. The **FEPS** will send information about the last successful login.

Last login: (Date and time will be given. This will be followed by three sets of <cr><lf>)

<cr><lf>
<cr><lf>
<cr><lf>

f. If the Transmitter's ETIN is suspended from acceptance into the FEPS, the following message is sent back to the Transmitter, and the line is disconnected:

SUSPENDED TRANSMITTER / ETIN<cr><lf>

g. The next prompt after entering the password for asynchronous filers is:

FILE TRANSFER PROTOCOL INDICATOR: [ ]

If the File Transfer Protocol (FTP) is blank AND an incorrect FTP is entered, the following message is sent back to the Transmitter:

INVALID FILE TRANSFER PROTOCOL - TRY AGAIN

If the third attempt is invalid, the transmitter will be disconnected. If the Transmitter Profile Data Base (TPDB) contains an FTP, the FTP will appear within the brackets. To override the default, enter a valid FTP in either upper or lower case, which will be used for that session only. If an invalid protocol is entered, the system will assume that the default is to be used.

h. If the third attempt at entering the FTP is incorrect, no message will be sent, and the line will be disconnected. The <u>next time</u> the transmitter logs on, the following Communications Error Acknowledgment File will be sent:

MAXIMUM NUMBER UNSUCCESSFUL LOGON ATTEMPTS REACHED

i. The system is now ready to send Acknowledgment Files.

j. Each <u>online message</u> sent by the FEPS is 80 characters in length, so if less than 80, it is padded with blank(s), <u>except</u> for the FEPS "failed login attempt".

k. Any period of inactivity for 60 seconds will cause the line to be disconnected. It is assumed that the line is bad or that there are problems in transmission, so the line is disconnected to prevent the transmitter from being charged by his/her long-distance carrier for an inactive open line.

.02 Receiving the Acknowledgment File

1. After the FEPS has verified that the transmitter is an authorized user and after a VALID logon, the following messages are sent from the FEPS back to the transmitter:

   ARE YOU READY TO RECEIVE ACKNOWLEDGMENT FILE(S) - (Y/N)? [N]

   NOTE: The default is N. To receive acknowledgment files, you must enter "Y" or "y", followed by carriage return "**<cr>**" to override. If not, you will be disconnected because it is a requirement of IRS e-file to pick up ACK Files timely. The next time you logon, you will be sent a Communications Error Acknowledgment File with the following message:

   TRANSMITTER WAS NOT READY TO RECEIVE ACKNOWLEDGMENT FILE

2. If an Acknowledgment File (ACK File) for a previous transmission of electronic returns or any Communications Error Acknowledgment File from a previous aborted transmission is ready, it will be transmitted from the FEPS to the filer before any new returns can be transmitted to the Service. Be aware of multiple ACK Files. See 7.02 below regarding the transmission of ACK files.

3. If the transmitter has no ACK File(s) or Communications Error ACK File(s) from previous transmissions, the FEPS will transmit a standard "Dummy " Acknowledgment File with the following message:

   THIS IS A DUMMY ACKNOWLEDGMENT FILE

4. The Acknowledgment File identifies which returns have been accepted, rejected, or identified as duplicates.

5. Each file of electronic returns transmitted to the Service will normally be acknowledged within two workdays of receipt.

6. If the Acknowledgment File is not received within two workdays, or if acknowledgments are received for returns that were not transmitted on the designated transmission, immediately contact the Electronic Filing Unit Help Desk at the appropriate service center for assistance.

7. The transmitter should match the Acknowledgment File back to the original file transmitted by using the IRS-assigned file name, a combination of ETIN and sequence number. If no ACK File is received, call the Help Desk to be sure that there is not a processing delay.

   Any electronically transmitted return that is not acknowledged by the Service has NOT been accepted for processing, and must be resubmitted and acknowledged as accepted before it is considered a filed return.

.02 Receiving the Acknowledgment File (continued)

8. When a return has been rejected after three attempts, contact the appropriate service center's Electronic Filing Unit Help Desk for assistance.

9. NOTE: If using XMODEM and any other YMODEM protocol, the Acknowledgment Files are concatenated within a single transmission. The receiver must name the file and must look for each RECAP record to find each Acknowledgment File.

10. NOTE: If using YMODEM-Batch (FTPI “y” or “Y ”), then the Acknowledgment Files are sent separately within the transmission. Block zero (“0”) identifies the filename. Data is transmitted starting in Block one (“1”) up to Block “255” and then rolls to Block “0”. The last block for the file is padded with “Ctrl Z” characters. The next transmission packet should be the EOT character. If there is another file, the next block, Block “0” will contain the next filename. Otherwise a Block “0” without a filename will be followed by the EOT character.

11. NOTE: If using ZMODEM, Acknowledgment Files are sent separately within the transmission, with "zfile" and "eof" in between each file, with a "zfin" at the end of all files. The IRS system will supply the File Name (ETIN plus sequence number) to the transmitter at the end of the "Successful Completion" message.

12. For problem transmissions, see Section 1.04 on Communications Error ACK files.

13. For information on how to read the Acknowledgement File, see Section 3.01.

14. For information on how to batch return transmission files and match them with ACK files, see Section 3.04.

.03 Transmitting Returns

1. When the ACK File transmission is completed, the following message will be sent to the transmitter:

   ACKNOWLEDGMENT FILE TRANSMISSION COMPLETE **- <cr><lf><cr><lf>**
   ARE YOU READY TO SUBMIT YOUR TRANSMISSION FILE - (Y/N)? [N] y<cr><lf>
   <cr><lf>
   EFS READY TO RECEIVE <cr><lf>

   NOTE: Once this message is sent, the FEPS will wait to receive a transmission. If a transmission is not started within 60 seconds, the system will display **"DISCONNECTING FROM EFS".**

   NOTE: If the transmitter responds "N" to the "ARE YOU READY TO SUBMIT YOUR TRANSMISSION FILE", the system will display "DISCONNECTING FROM EFS" message.

2. Immediately after receiving the ACK File(s), the transmitter must transmit the return records in the following sequence:

   a. Transmitter records: TRANA and TRANB. These records identify the transmitter.

   b. Tax Return records: See Part II Record Layouts for exact identifications for the return (RET), schedules (SCH), forms (FRM), statements (STM), state records (ST), and summary record (SUM).

   c. RECAP record: The RECAP summarizes the transmission and is similar to the "trailer" of a file.

   Only one transmission can be sent during a logon session. This sequence will be repeated for each batch of returns submitted in subsequent sessions.

   NOTE: TRANSMISSIONS WILL NOT BE VALIDATED DURING RECEIPT OF THE FILE. AFTER THE "TRANSMISSION SUCCESSFUL TO EFS" AND "DISCONNECTING FROM EFS" MESSAGES, ONLY WILL THE TRANSMISSION BE VALIDATED. WHEN THE FIRST TRANSMISSION ERROR IS ENCOUNTERED, THE FEPS WILL DISCONTINUE VALIDATION AND GENERATE THE APPROPRIATE ERROR MESSAGE IN A COMMUNICATION ERROR ACKNOWLEDGEMENT FILE. IT IS RECOMMENDED THAT THE TRANSMITTER RE-VALIDATE THE ENTIRE FILE BEFORE RE-TRANSMITTING CORRECTIONS TO ALLEVIATE SUBSEQUENT COMMUNCATION ERRORS, WHICH WILL GENERATE ADDITIONAL COMMUNICATION ERROR ACKNOWLEDGE FILE(S).

3. If the TRANA or TRANB is not present, the following message will appear in a Communications Error ACK the next time the transmitter logs on to the FEPS:
   NO TRANA RECORD RECEIVED or
   NO TRANB RECORD RECEIVED

4. If no RECAP is received, the following error message in the Communications ACK File will be sent:

   NO RECAP RECORD RECEIVED; POSSIBLY DUE TO A LINE PROBLEM

.03 Transmitting Returns (continued)

5. If the TRANA, TRANB, or RECAP is not equal to 120 bytes or has embedded pound signs ("#") instead of blanks, the transmitter will be disconnected. The following message will appear in a Communications Error ACK the next time the transmitter logs on to the FEPS:

   INVALID TRANA: WRONG LENGTH OR EMBEDDED # or

   INVALID TRANB: WRONG LENGTH OR EMBEDDED # or

   INVALID RECAP: WRONG LENGTH OR EMBEDDED #

6. If multiple TRANA or TRANB records are received, the transmitter will be disconnected, and the following message will appear in the Communications Error ACK the next time the transmitter logs on:

   MULTIPLE TRANA/TRANB RECORDS DETECTED

7. All returns in a transmission must be owned and numbered by one of the following Electronic Filing Service/Computing Centers, and the appropriate Site Designator code must be entered in the 74th position of the TRANA record. Even though the returns are being transmitted to one of two sites (AUSC or TCC), each SC has a separate node on the FEPS:

Center	Code
Andover	**C**
Austin	**E**
Cincinnati	**A**
Memphis, TN	**D**
Ogden	**B**

   If the Site Designator is incorrect, the transmitter will be disconnected, and the following message in a Communications Error ACK File will be sent the next time the transmitter logs on to the system:

   INVALID PROCESSING SITE DESIGNATOR. A=CINCINNATI, B =OGDEN, C=ANDOVER, D=MEMPHIS, E=AUSTIN

8. When the transmission of the electronic file of returns is complete, the following message from the FEPS is sent and the transmitter is disconnected:

   TRANSMISSION SUCCESSFUL TO EFS – SyyyyMMDDhhmmss.xxxx - mmddyyyy-hhmmss-eeeeennn<CR><LF>

.03 Transmitting Returns (continued)

NOTE: The above acronyms and symbols have the following meanings:

S	-	FEPS ID
YYYY	-	Year, Year, Year, Year
MM	-	Month, Month
DD	-	Day, Day
HH	-	hour, hour
MM	-	minute, minute
SS	-	second, second
xxxx	-	microseconds
eeeee	-	The 5-digit ETIN used
nnn	-	The TPDB-generated file sequence number for this transmission

NOTE: The ETIN plus the sequence number is the File Name of your transmission while it is stored on the FEPS. It is used to link the ACK File for this transmission. Please note these numbers, which will assist the Electronic Filing Help Desk in case of a problem or if questions arise concerning that particular transmission.

9. If the TRANA PRODUCTION-TEST CODE field is blank, does not equal "P" or "T", or does not match the database profile, the transmission will be disconnected. The following message will appear in a Communications Error ACK File the next time the transmitter logs on to the FEPS:

   INVALID PRODUCTION-TEST CODE. P = PRODUCTION, T = TEST or

   PRODUCTION-TEST CODE IN TRANA RECORD DOES NOT MATCH PROFILE

10. If the TRANA TRANSMISSION TYPE CODE field is anything other than "blank", "D", or "O", the transmission will be disconnected. The following message will appear in a Communications Error ACK File the next time the transmitter logs on to the FEPS:

    INVALID TRANSMISSION TYPE CODE

.03 Transmitting Returns (continued)

11. The transmitter will be disconnected if the number of "1040 PG01" counts within a return transmission file does not match the "Total Return Count" (Field 4) of the RECAP record. A Communications Error Acknowledgment File will be generated and the next time the transmitter logs on the following message will be sent:

    INVALID TOTAL RETURN COUNT IN RECAP; DOES NOT MATCH 1040 PG01 COUNT

    NOTE: The system will generate this message if Electronic Transmitted Documents (ETD's) have been transmitted with individual income tax returns and have been counted in "Total Return Count".

    NOTE: Error Reject Code 831 for invalid Total Return Count may still be generated if the Primary Social Security Number count differs from the "Total Return Count" of the RECAP record.

12. The transmitter will be disconnected if the "Julian Day" (Field 8) of TRANA for individual tax returns or ETD transmission files is more than two days prior to the actual receipt Julian Day, or more than one day after the actual receipt Julian Day. The next time the transmitter logs on, the following message will appear in the Communications Error Acknowledgment File:

    INVALID JULIAN DAY IN THE TRANA RECORD

Section 1 - Data Communications

.04 Problem Transmission

1. If the transmitter experienced difficulty during the previous transmission, the FEPS will send a Communications Error Acknowledgment (ACK) File, which indicates why there was an abnormal end to the transmission.

2. The Communications Error ACK File will be sent if there is an aborted transmission, whether or not other acknowledgment records are ready to be picked up. A Communications Error ACK File will NOT be sent if the transmitter only picks up acknowledgment files and then disconnects the line.

3. Transmitters should not transmit more than 500 electronic returns via a dial-up line. If a transmitter is using one of the high-speed transfer protocols, **up to 10,000 returns** may be filed during the transmission. If the transmitter is not using a data compression protocol, fixed format data will take a longer amount of time to transmit than variable format data. If more than 500 returns are ready to be transmitted via dial-up, they must be sent in subsequent transmissions.

   NOTE: Dial-up filers may file up to 10,000 returns per transmission, if using ZMODEM with Checkpoint/Restart.

4. The FEPS does support ZMODEM Checkpoint/Restart. To utilize this feature, the transmitter's communication package's ZMODEM setting for "Crash Recovery" should be set to "ON". If a transmission is aborted, the FEPS stores the partially transmitted file under the file name used by the transmitter in the ZMODEM protocol. If the next time the transmitter logs on and attempts to send the same previously named file, after receiving ACK Files, the FEPS will resume receiving the rest of the file. However, if on the next session, the transmitter attempts to send a new file, the previous partially received file will be removed from the system. In such a case, the transmitter will have to retransmit the whole file. For any other protocol, aborted transmissions must be restarted from the beginning since there are no checkpoint/restart capabilities.

.04 Problem Transmission (continued)

5. Aborted transmissions could result from the following FEPS disconnect conditions. Below are the Communications Error Messages that may be transmitted from the FEPS in the Communications Error Acknowledgment File:

   a. "**MAXIMUM NUMBER UNSUCCESSFUL LOGON ATTEMPTS REACHED**" (The maximum number of three consecutive unsuccessful logon attempts was reached.)

   b. "**NO TRANA RECORD RECEIVED**" (The TRANA record must be first.)

   c. "NO RECAP RECORD RECEIVED; POSSIBLY DUE TO A LINE PROBLEM OR IMBEDDED "#" WITHIN RECORD" (If no RECAP record or not end of record indicator or there are imbedded "3"'s or extraneous characters other than "cr" or "lf" present between records.

   d. "SESSION ABNORMALLY TERMINATED; WAIT FOR IRS TO DISCONNECT" (If the transmitter terminates the session prior to seeing the message "DISCONNECTING FROM EFS".)

   e. "**LOGON ETIN AND ETIN IN THE TRANA RECORD WERE DIFFERENT**" (The Logon ETIN should match the ETIN in positions 83-87 of the TRANA record.)

   f. "DISCONNECTING FROM EFS" (The transmitter must respond with a "Y" or "y" or transmitter hangs up after transmitting returns and does not wait for the "DISCONNECTING FROM EFS" message; anything else will cause the FEPS to disconnect the line.)

   g. "**INVALID PROCESSING SITE DESIGNATOR. A=CINCINNATI, B=OGDEN, C=ANDOVER, D=MEMPHIS, E=AUSTIN**" (The site designator is found in position 74 of the TRANA record.)

A	Cincinnati Service Center
B	Ogden Service Center
C	Andover Service Center
D	Memphis, Tennessee Computing Center
E	Austin Service Center

   All returns in a transmission must be owned and numbered by one of the above Electronic Filing Service/Computing Centers, and the appropriate Site Designator code must be entered in the 74th position of the TRANA record. Even though the returns are being transmitted to one of two sites (AUSC or TCC), each SC has a separate node on the FEPS:

   h. "**PROBLEM OCCURRED SENDING ACKNOWLEDGMENT FILE(S): YOU MAY CALL TO HAVE FILE(S) RESET**" (This can occur when the transmitter has begun transmitting records before picking up the ACK File, so both the transmitter and the FEPS are trying to communicate at the same time. It can also occur as a result of line noise or transmitter time-outs.)

.04 Problem Transmission (continued)

i. "**INVALID TRANA: WRONG LENGTH OR EMBEDDED #**" (TRANA is 120 bytes in length and must be blank-filled. The pound sign (#) must be in position 120 only.)

j. "**INVALID TRANB: WRONG LENGTH OR EMBEDDED #**" (The same conditions as in TRANA.)

k. "**INVALID RECAP: WRONG LENGTH OR EMBEDDED #**" (The same conditions apply as in TRANA.)

l. "**MULTIPLE TRANA/TRANB RECORDS DETECTED**"

m. **"INVALID PRODUCTION-TEST CODE. P = PRODUCTION, T = TEST"** (TRANA field PRODUCTION-TEST CODE must be a P or T.)

n. "**PRODUCTION-TEST CODE IN TRANA RECORD DOES NOT MATCH PROFILE"** (TRANA field PRODUCTION-TEST CODE must match FEPS transmitter profile for the Production-Test Code Indicator stored in the TPDB.)

o. "**INVALID TRANSMISSION TYPE CODE"** (TRANA field TRANSMISSION TYPE CODE must equal one of the following codes.)

" " (blank) = regular Electronic Filing
"D" = ETD
"O" = ONLINE FILING

p. "**INVALID TOTAL RETURN COUNT IN RECAP; DOES NOT MATCH 1040 PG01 COUNT**" (The number of "**1040bbPG01**" counted by the FEPS does not match the "Total Return Count" in the RECAP record.) |

q. **INVALID JULIAN DAY IN THE TRANA RECORD**" (The "Julian Day" in the TRANA record cannot be more than two days prior to the actual receipt Julian Day or more than one day after the actual receipt Julian Day.)

.04 <u>Problem Transmission</u> (continued)

6. <u>Layout of Communications Error Acknowledgment File</u>

   a. Each Communication Error Acknowledgment File will have a sequence number assigned and the file will be sent to the transmitter in the order of the error.

      Example: A transmitter's first transmission was successful, but the second one was aborted because of line noise. The first ACK File would be a regular one regarding acceptance/rejection of the returns within the transmission, followed by a Communications Error ACK File regarding the aborted transmission.

   b. The layout of the Communications Error Acknowledgment File is below:

0120**TRANA9blanksTHIS IS A COMMUNICATIONS ERROR ACKNOWLEDGMENT FILE45blanks#**
(The TRANA portion of the file is a total of 74 characters followed by 45 blanks and the pound sign (#) in the 120th position.)

0120**TRANB TRANSMISSION EEEEENNN ON MM/DD/YYYY, HH :MM:SS WAS UNSUCCESSFUL DUE TO THE FOLLOWING CONDITION:**
(The TRANB portion of the file is followed by blanks and a pound sign (#) in the 120th position; EEEEE = the ETIN; SSS = Transmission Sequence Number.)

0120**ACK**
(The ACK portion of the file containing one of the above Communication Error messages appears here, followed by blanks and a pound sign (#) in the 120th position.)

0120**RECAP**
(The RECAP portion of the file is followed by 106 blanks and the pound sign (#) in the 120th position.)

7. <u>Layout of the Dummy Acknowledgment File</u>

   a. The Dummy Acknowledgment File is sent when there are no regular or Communications Error Acknowledgment Files to send to the transmitter.

   b. The layout of the Dummy Acknowledgment File is below:

      0120**TRANA9blanksTHIS IS A DUMMY ACKNOWLEDGMENT FILE62blanks#**

      0120**TRANB106blanks#**

      0120**ACK108blanks#**

      0120**RECAP106blanks#**

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Section 2 - Transmission File Format

.01 General Description

1. All transmission data must be in ASCII format. No binary fields may be transmitted. -|

2. A transmission session will normally consist of three parts:

   a. First, the communications link must be established using acceptable protocol.

   b. Next, the transmitter will receive the acknowledgment transmission containing information about the previous transmission session.

   c. Then, the return record transmission may commence. The return record transmission will consist of a series of logical records beginning with the Transmitter records, followed by some number of logical return records for a maximum of 10,000 returns **per transmission for dial-up filers and 10,000 returns for dedicated/leased lines,** and ending with a RECAP record. |

   CAUTION: Dial-up filers using ZMODEM with Checkpoint/Restart can file more than 500 returns per transmission with a maximum of 10,000 (Return Sequence Numbers 0000 – 9999). Dedicated leased line filers can file a maximum of 10,000 returns. |

3. All return records must be in ascending order by Declaration Control Number (DCN) and Return Sequence Number (RSN).

4. All logical records must be transmitted in a series of logical blocks. Logical blocks are broken down into physical blocks, which must not exceed 512 bytes (not counting protocol characters). -|

5. Logical block byte counts must not be present for ASCII transmissions.

6. Each logical record within a transmission must be preceded by two four-byte fields, **the Record Control Information**. The first four-byte field is for a record Byte Count that will contain a count of the number of bytes within the logical record including the four bytes for the counter itself, four bytes for the Start of Record Sentinel (****), and one byte for the Record Terminus Character (#). The second four-byte field will be the Start of Record Sentinel, which must be four asterisks (****). |

7. Every logical record must have the Record Terminus Character (#) as its last significant byte. Note that provisions have been made to allow for non-significant padding to exist following the Record Terminus Character, i.e., blanks may be added after the Record Terminus Character to fill up a physical block size. This is permitted to accommodate all the different computer systems being used to transmit data.

.01 General Description (continued)

8. The first records on a transmitted file, the TRANA and TRANB Records, contain information regarding the transmitter and file format. These records should be followed by the records comprising the tax returns being transmitted.

9. The end of the logical transmission is signaled by the literal "RECAP". It is followed by the RECAP Record data and the Record Terminus Character (#).

10. The TRANA, TRANB and RECAP records are fixed-length records of 120 bytes each. Any non-significant field should be blank-filled.

11. A tax return will consist of a variable number of fixed length or variable length records. The size and format of the logical record for each page of each schedule, form, etc., are specified in Part II Record Layouts. See Section 2 for file formats.

12. Each logical record should contain all data fields pertaining to one printed page of an official schedule or form, **including the Form Payment, Authentication, Preparer Note, Election Explanation and Regulatory Explanation records,** or to a line of a Statement Record. Therefore, the logical record contains an entire schedule or form, or a logical part (i.e., PG01 or PG02) of a schedule or form, or line of a Statement Record. See Section 8 for Statement Record information.

13. Each complete tax return must consist of all logical records pertaining to it in the following sequence:

    Form 1040/1040A/1040EZ Page 1;
    Form 1040/1040A Page 2;
    Schedules in alphabetical order **or in Attachment Sequence Number order as preprinted on the official IRS form;**
    Forms in numerical order **or in Attachment Sequence Number order as preprinted on the official IRS form;**
    (Forms W-2, W-2G, and 1099-R should precede other forms and Form Payment should follow other forms)
    Authentication Record;
    Statement Records;
    Preparer Notes;
    Election Explanations;
    Regulatory Explanations;
    State Records; and
    Summary Record.

14. Schedule, Form, Statement, **Preparer Note, Election Explanation and Regulatory Records** can contain additional sequential Page Records if the record consists of more than one printed page. (Pages are only numbered within a schedule, form, or statement record, not across the return.) All records must appear in the order above with the proper control information. The counts of the schedules and forms must match the counts in the Summary Record or the return will be rejected.

Section 2 - Transmission File Format

.01 General Description (continued)

15. The file should be unlabeled (no standard header or trailer records).

16. Each file must contain only complete returns.

17. The page should not be generated if there are no entries on a page record of a schedule or form. A blank page (Record ID **Group** only) will cause | the return to be rejected, except in cases where multiple forms require that one page be present when the other page is present.

18. The first logical record of a tax return (i.e., Page 1 of the Form 1040/1040A/1040EZ) will contain the **Record Control Information and** | Tax Return Record Identification **(ID) Group, followed by** the Return | Sequence Number (RSN) and the Declaration Control Number (DCN). **The** | **Record ID Group includes the Record ID, Return Type, Page Number,** | **Taxpayer Identification Number, and Tax Period.** |

    a. The RSN is a unique 16-digit number assigned by the transmitter to each return within a return transmission. The RSN includes the transmitter's Electronic Transmitter Identification Number (ETIN). The RSN consists of the following fields:

       (1) Electronic Transmitter Identification Number (ETIN) of the transmitter (5 numeric characters)
       (2) Transmitter Use Field, the value of which is determined by the transmitting electronic filer (2 numeric characters)
       (3) Julian Day of Transmission (3 numeric characters)
       (4) Transmission Sequence Number for the given Julian Day (2 numeric characters (01-99))
       (5) Sequence Number assigned to the return (4 numeric characters (000**0**-9999) |

    b. The DCN is a 14-digit number assigned by the electronic filer to each return within a return transmission. The DCN must contain the Electronic Filer Identification Number (EFIN) of the electronic filer **that originated the electronic submission of** the return, even if the | transmitter assigns the DCN as a service to the electronic return preparer. The DCN consists of the following fields:

       (1) Always "00" (2 numeric characters)
       (2) Electronic Filer Identification Number (EFIN) of the electronic filer (6 numeric characters)
       (3) Batch Number (3 numeric characters (000-999))
       (4) Serial Number (2 numeric characters (00-99))
       (5) Year Digit (1 numeric character)

NOTE: When using variable format, begin bracketing field numbers on Page 1 | **of the tax return beginning with the RSN [0007].** |

Section 2 - Transmission File Format

.02 Fixed and Variable Length Options

There are two options available for transmitting logical tax return records: fixed length (fixed format) and variable length (variable format). (The Transmitter Records TRANA, TRANB, and RECAP Record are not tax return records.)

See Section 5 for requirements related to specific field descriptions and types of characters.

1. Fixed Length Option (Fixed Format)

The fixed length option requires the complete tax return to be transmitted exactly as defined in Part II Record Layouts. All fields must be present. If a field contains no data, it must be blank-filled or zero-filled. The fixed length option is indicated by an "F" in the Record Type (**SEQ 100**) of the TRANS Record A (TRANA).

When the fixed length option is used, the following data field conventions must be followed:

a. Alphanumeric Fields - Fixed Format

(1) Left-justify the field with trailing blanks.

(2) When a "literal" is included in the field description, enter the literal value exactly as specified in Part II Record Layouts, left-justified. Trailing blanks must be entered.

NOTE: The trailing blanks are not shown in the Record Layouts.

b. Numeric Fields - Fixed Format

(1) Unsigned numeric fields: Right-justify with leading zeros.

(2) Signed numeric fields (money amounts): Right-justify with leading zeros, reserving the right-most position for the sign. A blank ( ) indicates a gain and a minus sign (-) indicates a loss.

(3) Signed numeric fields that can also contain literal values: Enter signed numeric fields as described above. When entering a literal value, left-justify and blank-fill the field.

c. Preparer Note, Election Explanation and Regulatory Explanation Records

If less than 4000 characters of data is present for one of these records, it is permissible to enter the End of Record Sentinel immediately following the last significant character when filing in fixed format. If you choose to do this, be sure to adjust the Byte Count accordingly.

.02 Fixed and Variable Length Options (continued)

2. Variable Length Option (Variable Format)

The variable length option provides for the transmission of only control information, **including the record ID group,** significant data fields, and significant data within individual fields. The variable length option is indicated by a "V" in the Record Type (**SEQ 100**) of the TRANS Record A (TRANA).

When the variable length option is used, the following data field conventions must be followed:

a. Alphanumeric Fields - Variable Format

(1) Left-justify data in the field. Do not enter leading blanks. Trailing blanks are dropped.

(2) When a "literal" is included in the field description, enter the literal value exactly as specified in Part II Record Layouts, left-justified. Only the value of the literal (including embedded blanks) must be entered. Trailing blanks are dropped.

b. Numeric Fields - Variable Format

(1) Unsigned numeric fields: In most cases, leading zeros may be dropped.

Leading zeros cannot be dropped from the following: Date fields, Ratio (percentage) fields, Business Code field of Schedules C/C-EZ, and Agricultural Activity Code field of Schedule F. The leading zero cannot be dropped from the two-digit value of the Post of Duty field of Forms 2555/2555EZ nor from the "Type of Use" fields of Form 4136.

(2) Signed numeric fields (money amounts): Leading zeros are dropped. For a positive value, the trailing blank that indicates a gain is dropped. For a negative value in a field that can contain either a gain or a loss, the minus sign (-) must be entered in the last position of the signed numeric field.

(3) Signed numeric fields that can also contain literal values: Enter signed numeric fields as described above. When entering a literal value, left-justify the field; it is not necessary to enter trailing blanks.

Section 2 - Transmission File Format

.02 Fixed and Variable Length Options (continued)

c. Tax Form, Schedule, and Form Records - Variable Format

When transmitting in variable format, each Tax Form (Form 1040/1040A/1040EZ), Schedule, and Form Record will begin with the Record Control Information (Byte Count and Start of Record Sentinel fields) in the same fixed format shown in the record layouts. This is followed by the Record ID **Group.** Following the Record ID **Group** are the data fields. Each data field is preceded by the applicable Field Sequence Number, which is enclosed by square bracket field delimiters, “[“ and ”]”. **The Field Sequence Number is a 4 position number. However, it is permissible to drop the first zero when bracketing the field sequence number. A minimum of three position must be present. For example, you can use [0010] of [010] for Primary SSN of Page 1 of the Tax Return record.** The Record Terminus Character (#) follows the last data field in the record.

Example:
nnnn****RECORD ID **GROUP** [1st field sequence number]DATA...[next field sequence number]DATA...# ("nnnn" is the record byte count)

NOTE: THE FOLLOWING THREE CHARACTERS "**[**" , "**]**", and "**#**" ARE RESERVED AS DELIMITERS AND CANNOT APPEAR AS DATA CHARACTERS. See Section 5 for information about types of characters in electronically filed returns.

d. **Preparer Note, Election Explanation and Regulatory Explanation Records**

If less than 4000 characters of data is present for one of these records, the End of Record Sentinel can be entered immediately following the last significant character.

e. State Records - Variable Format

See Section 12 for file format specifications for Federal/State Electronic Filing.

f. Statement and Summary Records - Variable Format

All data fields of the Statement and Summary Records must be formatted as fixed length fields. If a field contains no data, it must be blank-filled or zero-filled, as appropriate.

When transmitting in variable format, each Statement and Summary Record will begin with the Record Control Information (Byte Count and Start of Record Sentinel fields) in the same fixed format shown in the Part II Record Layouts. This is followed by the Record ID **Group**, the data fields formatted as fixed length fields, and the Record Terminus Character (#).

See Section 8 for Statement Record information.

Section 2 - Transmission File Format

.02 Fixed and Variable Length Options (continued)

3. Examples of Fixed and Variable Formats

a. Tax Form Record (Form 1040) - Variable Format

```
---------1---------2---------3---------4---------5---------6
0444****RET   1040  PG01 111001111 200012 [007]509280136201
0001[008]00510070001003[010]111001111[030]111002222[050]DIV
E[060]DEEPE C<DIVER[080]3333 QUACK BLVD[083]SEAPORT[087]CA[
095]90012[110]X[130]3[140]CORAL DIVER[160]X[167]1[360]01[37
5]20302[600]20302[750]20302#0176****RET   1040  PG02 111001
111 200012 [770]20302[789]2500[800]17802[810]1950[820]15852
[1030]2511[1130]2511[1160]4401[1250]4401[1260]1890[1270]129
0[1280]600[1323]SWIMMER#
```

b. Tax Form Record (Form 1040EZ) - Variable Format

```
---------1---------2---------3---------4---------5---------6
0263****RET   1040Z PG01 111001111 200012 [007]509280136201
0001[008]00510070001003[010]111001111[030]111002222[050]DIV
E[060]DEEPE C<DIVER[080]3333 QUACK BLVD[083]SEAPORT[087]CA[
095]90012[110]X[375]20302[750]20302[820]15852[1160]4401[126
0]1890[1270]1290[1280]600[1323]SWIMMER#
```

c. Schedule Record - Fixed Format

```
---------1---------2---------3---------4---------5---------6
0308****SCH CZ1040  PG01 111001111 0000001DEEP C DIVERbbbbb
bbbbbbbbbbbbbbbbbb111001111BAKERYbbbbbbbbbbbbbb000612FLOWER
 BAKERYbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb987654321555 BOTANIC
AL BLVDbbbbbbbbbbbbbbbbbbGARDEN CITY NJ 07011bbbbbbbbbbX0000
0012000 00000002000 00000010000 121219960010000000000000000X
 X X X #
```

d. Schedule Record - Variable Format

```
---------1---------2---------3---------4---------5---------6
0183****SCH  A1040  PG01 222002222 0000001[090]2900[100]797
[130]PERSONAL PROPERTY[135]800[140]800[150]4497[160]14000[2
90]1000[350]400[360]14000[380]3500[395]600[410]4100[520]229
97#
```

.02 Fixed and Variable Length Options (continued)

e. Form Record - Fixed Format

```
---------1---------2---------3---------4---------5---------6
0118****FRM   3903  PG01 111001111 0000001bbbbbbbbbbbbb0000
0010000 00000000000 00000010000 00000006000 00000004000 #
```

f. Form Record - Variable Format

```
---------1---------2---------3---------4---------5---------6
0082****FRM   3903  PG01 222002222 0000001[040]10000[044]10
000[052]6000[180]4000#
```

Section 3 - Acknowledgment File Format

.01 Acknowledgment File Components

1. Every transmission will be acknowledged by the return of an Acknowledgment File (ACK File) to the transmitter. The Acknowledgment File will be available from the IRS service center to the transmitter within two workdays from the original transmission. The Acknowledgment File must be retrieved before sending a return file transmission.

2. If the entire transmission is rejected, the ACK File will contain the following:

   a. The original transmitter records (TRANA and TRANB).

   b. One ACK Record Set consisting of an ACK Key Record with a "T" in the Acceptance Code field and one ACK Error Record containing **a maximum of 15** transmission reject errors related to this transmission. |

   c. The Recap Acknowledgment Record (ACK Recap Record) with Fields **080** through **110** zero-filled.

3. If the transmission is accepted, the ACK File will contain the following:

   a. The original TRANA and TRANB sent by the transmitter with Field **180** of the TRANA record updated with an IRS entry indicating the (Front-End Processing Subsystem/Central Processing Unit) FEPS/CPU Designator. |

   b. Next, an Acknowledgment Record (ACK Record Set) is sent for each recognizable return transmitted.

   c. Next, the Recap Acknowledgment Record (ACK Recap Record), which is the original RECAP Record updated with counts of the Total Accepted Returns, Total Duplicated Returns, Total Rejected Returns, Total Duplicated EFT, IRS Computed EFT Count, and IRS Computed Return Count.

   d. And finally, the FEPS-generated Acknowledgment File Name containing the ETIN and an IRS-generated sequence number (**Field 140 in the ACK Recap Record).**

4. The acknowledgment of an individual return is the ACK Record Set. An ACK Record Set consists of one ACK Key Record for an accepted return, or one ACK Key Record followed by up to **96** ACK Error Records for a rejected return. |

.01 Acknowledgment File Components (continued)

a. The ACK Key Record contains information to identify the return it represents, plus a field to indicate how many (if any) ACK Error Records follow. See Section 3.02.1 for the values of the Acceptance Code field of the ACK Key Record and Section 12.08 for the State Packet acknowledgment format.

b. If present, each ACK Error Record will contain data defining the **Error Form Record Type, Error** Form Record Number, the **Error** Form Occurrence for multiple occurrences of schedules or forms, the **Error** Field Sequence Number, and the Error Reject Code describing the specific error encountered.

5. An "A" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been accepted as a filed tax return and will be processed in the same manner as a return originally submitted on a paper document. This does not imply that the return will pass all IRS service center validity checks or post to the IRS Master File without delays.

6. A "D" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been identified as a duplicate return, i.e., a tax return record had previously been transmitted and accepted for that Social Security Number.

7. An "R" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been rejected due to a fatal error involving the return format, internal consistency, or data errors in a key field. The error(s) must be corrected and the return resubmitted to the IRS to be considered a filed tax return.

8. A “T” in the Acceptance Code field of an ACK Key Record indicates that the entire transmission has been rejected.

9. A “D” in the Duplicate Code field of an ACK Key Record indicates that the DCN is a duplicate or zero.

10. A “P” in the Duplicate Code of an ACK Key Record indicates that the Primary SSN is a duplicate or zero.

11. An “S” in the Duplicate Code of an ACK Key Record indicates that the Spouse SSN is a duplicate or zero.

.01 Acknowledgment File Components (continued)

12. A “B” in the Debt Code of the ACK Key Record indicates that a debt was found on both the FMS and IRS files for this return.

13. An “F” in the Debt Code of the ACK Key Record indicates that a debt was found on the FMS File for this return.

14. An “I” in the Debt Code of the ACK Key Record indicates that a debt was found on the IRS File for this return.

15. An “N in the Debt Code of the ACK Key Record indicates that no debt was found on either the FMS or IRS Files.

16. **A “Y” in the Self-Select Pin Presence Identification indicates that a Self-Select Pin is present on the return.** |

17. **A “N in the Self-Select Pin Presence Identification indicates that a Self-Select Pin is not present on the return.** |

18. **A “ ” (blank) in the Self-Select Pin Presence Identification indicates that a Self-Select Pin is blank on the return.** |

19. Up to 96 **ACK Error Record(s)** may be furnished to the electronic filer, **one for each** three-position Error Reject Code. Filers should use these Error Reject Codes to determine the source of the error causing the return (or transmission) to be rejected. If more than the maximum number of reject conditions are identified, the last reject code will be **"999"**. |

20. The Error Reject Codes and references to validation criteria related to the errors **conditions** are listed in Attachment 1. Filers should use this information to resolve reject conditions. When a condition cannot be resolved with the information provided, the filer should contact the Electronic Filing Unit at the applicable service center for assistance. |

Section 3 - Acknowledgment File Format

.02 Acknowledgment File Record Layouts

1. ACK KEY Record - Acknowledgment File Key Record

Field No.	Identification	Form Ref.	Length	Field Description
	Byte Count		4	"0120"
	Start of Record Sentinel		4	Value "****"
0000	Record ID		6	Value " ACKbbb" |
0010	Filler		2	Blank |
0020	Taxpayer Identification Number		9	N (Primary SSN) |
0030	Return Sequence Number		16	Numeric ETIN(5), Transmitter's Use Code(2), Julian Day(3), Trans Seq Num(2), Seq Num for Return(4)
0040	Expected Refund or Balance Due		12	Refund or Balance Due from Applicable Return
0050	Acceptance Code		1	"A" = Accepted "R" = Rejected "D" = Duplicated Return "T" = Transmission Rejected
0060	Duplicate Code		**3**	"D" = Duplicate DCN or zero "P" = Duplicate Primary SSN or zero "S" = Duplicate Spouse SSN or zero
0065	**Self-Select PIN Presence Indicator**		**1**	**"Y" = PIN present** | **"N" = PIN not present** | **" " (blank) = rejected return** |
0070	EFT Code		1	blank
0080	Date Accepted		8	DT Format = YYYYMMDD
0090	Return DCN		14	N
0100	Number of Error Records		2	N Range 00-96

.02 Acknowledgment File Record Layouts (continued)

1. ACK KEY Record (continued)

Field No.	Identification	Form Ref.	Length	Field Description
0110	Filler		13	Reserved
0115	**Payment Acknowledgment Literal**		**20**	**"PAYMENT REQUEST RECD" or blank**
0120	Debt Code		1	"N" = None "I" = IRS Debt "F" = FMS Debt "B" = IRS and FMS debt or blank
0130	State Packet Code		2	blank or valid state code
	Record Terminus Character		1	Value "#"

Section 3 - Acknowledgment File Format

.02 Acknowledgment File Record Layouts (continued)

2. ACK ERR Record - Acknowledgment File Error Record

Field No.	Identification	Form Ref.	Length	Field Description
	Byte Count		4	"0120"
	Start of Record Sentinel		4	Value "****"
0000	Record ID		6	Value " ACKRbb"
0010	Taxpayer Identification Number		9	N (Primary SSN) (Must match ACK Key Record)
0020	Reserved		7	Blank
0030	Error Record Sequence Number		2	N, 01-96
0040	**Error Form Record ID**		**6**	**AN**
0050	**Error Form Record Type**		**6**	**AN**
0060	**Error Form Page Number**		**5**	**"PG00b" (page number is "00" (zero) for all IMF ACK ERR records)**
0070	Error Form Occurrence		7	N (0000001-000050)
0080	Error Field Sequence Number		4	N
0090	Error Reject Code		3	N (nnn) (Refer to Attachment 1)
0100	Filler		56	blank
	Record Terminus Character		1	Value "#"

3. ACK RECAP Record - Acknowledgement File Recap Record

Field No.	Identification	Form Ref.	Length	Field Description
	Byte Count		4	"0120"
	Start of Record Sentinel		4	Value "****"
0000	Record ID		6	" RECAPb"
0010	Filler		8	Blank
0020	Total EFT Count		6	N
0030	Total Return Count		6	N, Range = (000001 - 999999)
0040	Electronic Transmitter Identification Number **(ETIN)**		7	**N (includes Transmitter's Use Code)** |
0050	Julian Day of Transmission		3	N **(Must be the same as on the TRANA record)** |
0060	Transmission Sequence		2	N
0070	Total Accepted Returns		6	IRS USE ONLY
0080	Total Duplicated Returns		6	**IRS USE ONLY** |
0090	Total Rejected Returns		6	**IRS USE ONLY** |
0100	Total Duplicated EFT		6	**IRS USE ONLY** |
0110	IRS Computed EFT Count		6	**IRS USE ONLY** |
0120	IRS Computed Return Count		6	**IRS USE ONLY** |
0130	Filler		28	Blank
0140	Acknowledgment File Name		9	**A**N (Last byte is **blank**) |
	Record Terminus Character		1	Value "#"

NOTE: Fields **0000** and **0020-0060** are identical to those in the original RECAP Record.

Fields **0110 and 0120** are computed by IRS.

.03 Examples of ACK Records

1. Example of Accepted Refund Return:

```
---------1---------2---------3---------4---------5---------6---------7---------8
0120****TRANAb123456789EFILEbINCbbbbbbbbbbbbbbbbbbbbbbbbbbPREPARER’SAGENTbD20010
201199990003201AV729999bbbbbbbbbbbbbPbE#0120****TRANBb1234567893131bDEMOCRATbRDb
bbbbbbbbbbbbbbbbbbMEMPHISbTNbb38110bbbbbbbbbbbbbbbbb9011234567bbbbbbbbbbbbbbbbb#
0120****ACKbbbb4444444441999900032010695000000000365+A000Yb020120010072999900694
1000000000000680bbbbbbbbbbbbbbbbbbbbNbb#0120****RECAPbbbbbbbbb000070000671999900
03201000035000000000320000000000007000067bbbbbbbbbbbbbbbbbbbbbbbbbbbbb02059005b#
```

2. Example of Rejected Refund Return:

```
---------1---------2---------3---------4---------5---------6---------7---------8
0120****TRANAb123456789EFILEbINCbbbbbbbbbbbbbbbbbbbbbbbbbPREPARER'SbAGENTB20010
201199990003201AV729999bbbbbbbbbbbbbbPbE0120****TRANBb1234567893131bDEMOCRATbRDb
bbbbbbbbbbbbbbbbbbMEMPHISbTNbb38100bbbbbbbbbbbbbbbbb9011234567bbbbbbbbbbbbbbbbb#
0120****ACKbbbb4444444441999900032010696000000000326+R000bb020120010072999900695
1020000000000690bbbbbbbbbbbbbbbbbbbbbbb#0120****ACKRbb444444444bbbbbb01FRMbbb111
6bbPG00b000001400000030bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb#
0120****ACKRbb444444444bbbbbb02FRMbbb1116bbPG00b000000000000045bbbbbbbbbbbbbbbbb
bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb#0120****RECAPbbbbbbbbb000070000671999900
03201000035000000000320000000000007000067bbbbbbbbbbbbbbbbbbbbbbbbbbbb90998850b#
```

3. Example of Rejected Transmission:

```
---------1---------2---------3---------4---------5---------6---------7---------8
0120****TRANAb123456789EFILEbINCbbbbbbbbbbbbbbbbbbbbbbbbbPREPARER'SbAGENTD20010
201199990003201AV729999bbbbbbbbbbbbbPbb#0120****TRANBb1234567893131bDEMOCRATbRDb
bbbbbbbbbbbbbbbbbbMEMPHISbTNbb38100bbbbbbbbbbbbbbbbb9011234567bbbbbbbbbbbbbbbbb#
0120****ACKbbbb0000000000000000000000000000000000000T000000000000000000000000000
001000000000000000000000000000000000000#0120****ACKRbb000000000bbbbbbb8400000000
000000000000000000000000000000000000000000000000000000000000000000000000000000#
0120****RECAPbbbbbbbbb00007000067199990003201000000000000000000000000000000070000
67bbbbbbbbbbbbbbbbbbbbbbbbbbbb90050357b#
```

Note: If more than one transmission reject code is applicable, the additional reject codes will be placed in Field 0100. The maximum number of 15 transmission reject codes can be present.

4. Example of Accepted Refund Return with State Packet Attached:

```
---------1---------2---------3---------4---------5---------6---------7---------8
0120****TRANAb123456789EFILEbINCbbbbbbbbbbbbbbbbbbbbbbbbbbPREPARER’SAGENTbD20010
201199990003201AV729999bbbbbbbbbbbbbPbE#0120****TRANBb1234567893131bDEMOCRATbRDb
bbbbbbbbbbbbbbbbbbMEMPHISbTNbb38110bbbbbbbbbbbbbbbbb9011234567bbbbbbbbbbbbbbbbb#
0120****ACKbbbb4444444441999900032010695000000000365+A000Yb020120010072999900694
1000000000000680bbbbbbbbbbbbbbbbbbbbNSC#0120****RECAPbbbbbbbbb000070000671999900
03201000035000000000320000000000007000067bbbbbbbbbbbbbbbbbbbbbbbbbbbbb02059005b#
```

Section 3 - Acknowledgment File Format

.04 How to Batch and Match Returns with Acknowledgment Files

1. File Names

The following information is provided to filers who may not be aware of how to batch their returns and match them up later with Acknowledgment Files. Because filers request to "re-hang" Acknowledgment Files so frequently, it may be that their software is not reading and storing properly the ACK File Name(s) that appear within the ACK File Transmission. The ACK File Name is generated by the Front-End Processing Subsystem (FEPS) and passed onto the UNISYS with the return file. After UNISYS processing, this ACK File Name is returned with the ACK file. The last byte will contain a blank.

How to Batch Returns

Returns are to be transmitted, using the following specifications from the latest version of the Electronic Return File Specifications and Record Layouts.

a. In Part II, the record layout for the **TRANA**, the first record in any transmission, indicates where the return file batch information is to be entered.

b. In Field **060**, the 5 **digit ELECTRONIC TRANSMITTER IDENTIFICATION NUMBER (ETIN)** assigned by the IRS, is entered. This is followed by TRANSMITTER'S USE CODE, 2 digits of the transmitter's choice for his/her own use to specify the type of returns (some transmitters use this field to identify which office or branch it belongs to or if it is a RAL return, etc.). It can also be left blank or zero filled. |

c. In Field **070**, the 3 digit JULIAN DAY (001-365) follows. |
Field **080** is composed of 2 digit TRANSMISSION SEQUENCE NO (00-99), for the above Julian Day. |

d. In Part II, the record layout for the TAX **RETURN RECORD** for page 1 of either the Form 1040, 1040A, or 1040EZ, indicates where the RETURN SEQUENCE NUMBER is entered, which is used for each return within the batch identified in the TRANA record above. -|

e. Field **007**, the 16 digit **RETURN SEQUENCE NUMBER (RSN),** is composed of the following sub-fields: |

a.	ETIN of Transmitter	5n	= Field **060** of the TRANA	|
b.	TRANSMITTER'S USE FIELD	2n	= Field **060** of the TRANA	|
c.	JULIAN DAY OF TRANSMISSION	3n	= Field **070** of the TRANA	|
d.	TRANSMISSION SEQUENCE NUMBER	2n	= Field **080** of the TRANA (01-99)	|
e.	SEQUENCE NO. OF EACH RETURN	4n	= 000**0**-9999	|

NOTE: Dial-up filers using ZMODEM with Checkpoint/Restart can file more than 500 returns per transmission with a maximum of 10,000. Dedicated leased line filers can file a maximum of 10,000 returns. |

04 How to Batch and Match Returns with Acknowledgment Files (continued)

f. In Field **008**, the 12 digit DECLARATION CONTROL NUMBER (DCN), **that** is also used on the corresponding Form 8453 signature document, **is composed of the following sub-fields**: |

a. Always 00	2n	= 00
b. EFIN of ERO	6n	(Assigned to ERO by IRS)
c. Batch Number of EROs returns	3n	= 000-999
d. Serial Number of return in batch	2n	= 00-99
e. Year	1n	= (ending digit of tax year)

g. In Part II, p. **497**, the record layout appears for the **RECAP** record, which ends a transmission. |

h. In Field **040**, the **ETIN and TRANSMITTER'S USE CODE** must equal the same one in Field **060** of the TRANA. |

i. In Field **050**, the **JULIAN DAY** must equal the JULIAN DAY in **Field 070** of the TRANA. |

j. In Field **060**, the **TRANSMISSION SEQUENCE NUMBER** must equal Field **080** of the TRANA. |

2. Assignment of File Name by FEPS

a. After transmitting a file, the system indicates that it was successfully received with the message: "**TRANSMISSION SUCCESSFUL TO EFS**". A Global Transmission (GTX) key follows this. It is a series of unique numbers identifying the system that received it and day/time information. After the GTX key, the system generates a unique file name for the transmission that is forwarded to the UNISYS and will appear on the Acknowledgment File. The File Name is composed of the following:

b. ETIN followed by 3-digit sequence number for the transmission received to date for that transmitter (000-999). This file name appears in Field **140** of the Acknowledgment File ACK RECAP Record for matching up transmissions with ACK Files. |

CAUTION: After receiving transmission 999, the system begins to number again with 001 or the next available sequence number after 001 (000 is reserved for the Dummy Acknowledgment). Therefore, if large transmitters do not pick up ACK files within a few days, they may see this number repeated and not be able to identify which batch is which, or their software may overwrite a previous ACK file in their directory on their PC. If a Transmitter files more than 999 batches per ETIN in a few days, they should request another ETIN.

04 How to Batch and Match Returns with Acknowledgment Files (continued

3. Receiving, Locating, Storing, and Matching ACK Files

a. In Part I, the Acknowledgment File format appears. It is composed of the original TRANA and TRANB received from the Transmitter, **followed by the ACK KEY Record, ACK ERR Record(s) as applicable, and the ACK RECAP record.** |

b. In Part I, the **ACK KEY RECORD** is outlined.

(1) Field **030** contains the **RETURN SEQUENCE NUMBER (RSN)** as submitted by the Transmitter in Field **007** of page 1, 1040, 1040A, 1040EZ. |

(2) Field **090** contains the return **Declaration Control Number (DCN)**, as submitted by the Transmitter in Field 000, page 1, 1040, 1040A, or 1040EZ. |

c. In Part I, the **ACK RECAP** is outlined.

(1) Field **040** contains the **ETIN plus TRANSMITTER'S USE CODE** as in the original transmitter's RECAP. |

(2) Field **050** contains the **JULIAN DAY OF TRANSMISSION** as in the original transmitter's RECAP. |

(3) Field **060** contains the **TRANSMISSION SEQUENCE NUMBER FOR JULIAN DAY** in Field **050**, as in the original transmitter's RECAP. |

(4) Field **140** contains the **ACKNOWLEDGMENT FILE NAME**, which was generated by the FEPS in the **SUCCESSFUL COMPLETION MESSAGE** at the end of transmitting returns (ETIN followed by 3 digit sequence number of the transmissions to date received from that ETIN, followed by a blank). (Software developers/transmitters must program to wait for this message and should store the File Name **for comparison** with the ACK File transmission when received.) |

d. In summary, the transmitter and ERO have numerous ways of matching up their batches of return files they transmitted with the ACK files they receive. The way ACK Files are transmitted back to the transmitter depends on the file transfer protocol the transmitter is using to pick them up. If transmitters do not write their software to parse out the individual ACK files that may be sent in one big transmission, they will not realize they have received more than one ACK File. Refer to Part I, Section 1.02.

04 How to Batch and Match Returns with Acknowledgment Files

e. **CAUTION**:

(1) If using **XMODEM-CRC** (File Transfer Protocol Indicator (FTPI) is set to "c" or "C" by transmitter), XMODEM Checksum ("x" or "X"), XMODEM-1k ("k" or "K"), or YMODEM-G ("g" or ""G"), then the ACK files are concatenated within a single transmission. The transmitter must look for each RECAP record to find each ACK file – filer's software should do this automatically to store each ACK file in a separate directory.

(2) If using **YMODEM-Batch** (FTPI "y" or "Y"), then the Acknowledgment Files are sent separately within the transmission. Block zero ("0") identifies the filename. Data is transmitted starting in Block one ("1") up to Block "255" and then rolls to Block "0". The last block for the file is padded with "Ctrl Z" characters. The next transmission packet should be the End of Transmission (EOT) character (ASCII – "cntl d"). If there is another file, the next block, Block "0" will contain the next filename. Otherwise a Block "0" without a filename will be followed by the EOT character.

(3) If **using ZMODEM** (FTPI "z" or "Z"), then Acknowledgment Files are sent separately within the transmission, with "zfile" and "eof" in between each file, with a "zfin" at the end of all files. Filer's software should read for the " zfile" and "eof" and store the file under the IRS File Name in the directory for each ACK File within the ACK transmission. The Front-End Processing System is set to overwrite when sending ACK Files.

(4) Sometimes transmitters will use a different protocol if they are having problems with one. Transmitter's software must be flexible to handle the above rules when various file transfer protocols might be used in order to parse their individual ACK files properly for correct storage in their directories. Otherwise, transmitters may not realize they have received more than one ACK file and store multiples under one of the ACK File Names.

f. ETD Batching and Matching

The ETD batching and Acknowledgment File processing follow the same patterns as 1040 returns.

Section 4 - Types of Records

.01 Transmitter Records

See Part II Record Layouts for the exact formats of the Trans Record "A" (TRANA), Trans Record "B" (TRANB), and RECAP Record.

1. TRANA and TRANB Records

   The first two records of a transmitted file are the Transmitter Records TRANA and TRANB. These records contain data entered by the transmitter. (The "transmitter" is defined as the firm transmitting directly to the IRS.)

2. RECAP Record

   The RECAP Record follows the Tax Return Records and is the final record of a transmitted file. The RECAP Record provides balancing counts for the tax returns contained in the transmitted file.

.02 Tax Return Records

See Part II Record Layouts for the exact formats of individual records listed below. All records within a tax return should appear **in the order listed in Part II, Record Layouts or in the order of the** Attachment Sequence Number **preprinted on the corresponding paper form. (Refer to Section 2.01, Item 13.)** |

All "total" fields must have a significant entry when there are amounts leading to the total. Any "total" field that has a significant entry must have at least one significant amount leading to that total. Otherwise, processing of the tax return will be delayed to resolve the discrepancy.

1. Tax Form Record

   Each tax return must begin with the Tax Form Record, which consists of Form 1040 Page 1 and Form 1040 Page 2, or Form 1040A Page 1 and Form 1040A Page 2, or Form 1040EZ Page 1.

2. Schedule and Form Records

   Some schedules and forms consist of multiple pages. Each page of a multiple-page schedule or form is a separate record within the tax return.

   Multiple occurrences of certain schedules and forms are permitted. Refer to Attachment 10 for a list of the maximum number of schedules and forms permitted in an electronically filed tax return. When there are multiple occurrences of schedules or forms, the Page Number must be sequential within the **Form/**Schedule Occurrence Number of the schedule | or within the Form Occurrence Number of a form.

.02 Tax Return Records (continued)

a. **Instructions for Multiple Occurrences of Schedules C and C-EZ**:

Schedule C and Schedule C-EZ are separate schedule types. The **Form/**Schedule Occurrence Number in the Record ID must be incremented starting with "**00000**01" for each schedule type. For example, if a joint return contains four Schedules C for the primary taxpayer and one Schedule C-EZ for the secondary taxpayer, the first Schedule C will contain "**00000**01" in the **Form/**Schedule Occurrence Number, the second Schedule C will contain "**00000**02" in the **Form/**Schedule Occurrence Number, etc. The **Form/**Schedule Occurrence Number for the Schedule C-EZ will contain "**00000**01". If this format is not followed, the return may be rejected or the refund delayed.

The number of Schedules C plus the number of Schedules C-EZ cannot exceed a total of five. When five Schedules C are transmitted, no Schedule C-EZ can be transmitted. When a Schedule C-EZ is transmitted for a taxpayer, no Schedule C can be transmitted for the same taxpayer.

b. The "Form Payment" record is considered to be a form, although there is no equivalent paper form.

3. **Authentication Record**

The Authentication (ATH) Record is used when the taxpayer(s) is filing an On-Line return and/or electing to use the Self-Select PIN (Personal Identification Number) for *e-file* signature option. Only one Authentication Record is permitted per tax return.

4. Statement Records

Statement Records can only be used by the electronic filer when the number of data items exceeds the number that can be contained in the space provided on the printed schedule or form, or when the data must be provided on a separate continuation statement record, or when a statement of explanation is required for a specific condition.

See Section 8 for Statement Record information.

5. **Preparer Note, Election Explanation and Regulatory Explanation Records**

a. Preparer Note (NTE) records can be used by the paid preparer, electronic return originator or taxpayer to provide additional, voluntary information related to the tax return but not required to be attached to it.

b. Election Explanation (ELC) records are used when the taxpayer makes an election for certain tax treatment, status, exception or exemption based on an instruction for the tax form or in a related tax publication when there is no official IRS form designed for that purpose. The specific “election” must be cited followed by any explanatory or supporting information required. Multiple elections can be combined on one page record; separate page records can be used for each applicable election; and/or, multiple page records can be used for one election. The maximum number of ELC

.02 Tax Return Records (continued)

page records is 20. Enter the terminus character (#) after the last significant character in each ELC page record.

c. Regulatory Explanation (REG) records are similar to Election Explanation records and are used when the taxpayer cites a specific regulation for certain tax treatment, status, exception or exemption when there is no official IRS form designed for that purpose. The specific "regulation" must be cited followed by any explanatory or supporting information required. Multiple regulatory explanations can be combined on one page record; separate page records can be used for each applicable regulation cited; and/or, multiple page records can be used for one regulatory explanation. The maximum number of REG page records is 20. Enter the terminus character (#) after the last significant character in each REG page record.

6. State Records

State Records include the Generic Record **"STbbbb0001bb"** and the Unformatted Record **"STbbbb0002bb".** There can be only one Generic Record for each return. There can be up to nine Unformatted Records for each return. The Generic Record must be present and must precede any other State Record.

See Section 12 for specifications and examples of the State Records.

7. Summary Record

The Summary Record is the final record for each tax return. This record contains electronic filer identification data, the counts for Form, Schedule, **Authentication,** Statement, **Preparer Note, Election Explanation, and Regulatory Explanation** Records included in the return, and the paper document indicators. (A value of "1" in a paper document indicator field shows that the paper document specified is a part of the return and has been attached to the Form 8453.) **It also contains the Electronic Postmark fields, the IP (Internet Protocol) fields and the Software Identification fields.**

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Section 5 - Types of Characters

This section identifies the types of characters that are valid for an electronically filed return. Although characters other than these may be entered by a taxpayer on the paper form, the invalid characters are not key entered to the electronically filed return.

THE FOLLOWING THREE CHARACTERS "**[**" , "**]**", and "#" ARE RESERVED AS DELIMITERS AND CANNOT APPEAR AS DATA CHARACTERS. The left ([) and right (]) brackets are used to enclose Field Sequence Numbers. The Pound Sign (#) (Record Terminus Character) is used to indicate the End of Record.

.01 Allowable Characters

1. Alpha (A)

   Upper case alpha characters only: A - Z

   Literal values - Enter exact character string from the Field Description in Part II Record Layouts.

2. Numeric (N)

   Numeric characters only: 0 - 9

   a. **MONEY AMOUNT** (N) (Signed Numeric) -

      Enter whole dollar amounts (do not enter cents).

      (1) Fixed format: 12 characters, right-justified with leading zeros; the right-most position is reserved for the sign. A blank ( ) indicates a gain and a minus sign (-) indicates a loss.

          Non-significant - Zero-fill the field, reserving the right-most position for the sign.

      (2) Variable format: Leading zeros are dropped. For a positive value, the trailing blank that indicates a gain is dropped. For a negative value in a field that can contain either a gain or a loss, the minus sign (-) must be present in the last position of the signed numeric field.

          Non-significant - Omit the field.

.01 Allowable Characters (continued)

b. **RATIO** (R) (percentage) - Left-justify and zero-fill for both fixed and variable formats. DO NOT ENTER A DECIMAL POINT. Other than the exception listed below, ratio fields contain **six** numeric characters | with the decimal point assumed to be between the left-most and the second left-most positions. If less than 100%, precede with a zero. -|

Examples: 25.32% = 02532, 105% = 10500

(1) EXCEPTION: "Rate" fields on Form 4136 equal **six** numeric characters. **The decimal point is assumed to precede the left-most position**. Transmit all six positions, left-justified and zero-filled.

```
Examples: Rate .183   = 183000
          Rate .03967 = 039670
          Rate .17    = 170000
```

c. **EIN** (Employer ID Number) (N), e.g., if no EIN is present on Schedule C or Schedule F - for fixed format, blanks should be entered; for variable format, the field should be omitted.

d. **ZIP CODE** (N) should be left-justified. For fixed format, if there are only five Zip Code characters, the seven remaining positions can be either blank-filled or zero-filled. For variable format, if there are only five Zip Code characters, transmit the five numeric characters.

e. **DATE** (DT) - M = Month, D = Day, Y = Year (YYYY, **YYYYMM, YYYYMMDD,** | MMYYYY, MMDDYYYY); if date is not known or covers various dates, enter zeros **unless otherwise specified in the record layout field** | **description.** Leading zeros cannot be dropped from date fields for | both fixed and variable formats.

If a date field is not defined as "DT" in Part II Record Layouts, then the Field Description will specify the required date format.

f. **OTHER UNSIGNED NUMERIC FIELDS** (N) -

(1) Fixed format: Enter the numeric characters, right-justified and zero-filled.

Non-significant - Blank-fill (unless otherwise specified in the Record Layout for that field).

(2) Variable format: For most unsigned numeric fields other than ratio, EIN, Zip Code, and date fields, leading zeros may be dropped.

Leading zeros cannot be dropped from the Business Code field of Schedules C/C-EZ nor from the Agricultural Activity Code field of Schedule F. The leading zero cannot be dropped from the two-digit value of the Post of Duty field of Forms 2555/2555EZ nor from the "Type of Use" fields of Form 4136.

Non-significant - Omit the field.

Section 5 - Types of Characters

.01 Allowable Characters (continued)

3. Alphanumeric (AN)

Upper case alpha characters A - Z; numeric characters 0 - 9; and special characters in cases listed below.

Literal values - Enter exact character string from Field Description in Part II Record Layouts.

Non-significant - For fixed format, blank-fill; for variable format, omit the field.

a. Special Characters - Only the following **are permitted** in certain cases: Ampersand (&); blank ( ), often shown in the record layouts as "b"; comma (,); hyphen (-); less-than (<); percent (%); plus (+); and slash (/).

b. Special Symbols and their hexadecimal conversion characters for ASCII are below:

Symbol	ASCII Hex	Symbol	ASCII Hex
[	5B	-	2D
]	5D	&	26
#	23	/	2F
<	3C	%	25

.02 Special Cases for Special Characters

1. Form 1040

   Name Line 1: A - Z; ampersand (&); blank ( ); hyphen (-); and less-than (<).

   Name Line 2: A - Z; 0 - 9; ampersand (&); blank ( ); hyphen (-); percent (%) for "in care of" address; and slash (/).

   Street Address: A - Z; 0 - 9; blank ( ); hyphen (-); and slash (/).

   City: At least three characters must be entered; A - Z; blank ( ); APO/FPO - Refer to Attachment 4.

   State: A - Z - Refer to Attachment 3.

   Dependent Names: A - Z; blank ( ); and hyphen (-).

2. Form 5329

   Name of Person Subject to Penalty Tax: A - Z; blank ( ); hyphen (-); and less-than (<).

3. Form 8606

   Nondeductible IRA Name: A - Z; blank ( ); hyphen (-); and less-than (<).

4. Forms W-2/W-2G/1099-R

   Employer Name: A - Z; 0 - 9; ampersand (&); comma (,); hyphen (-); plus (+); and slash (/).

   City/State/Zip: A - Z; 0 - 9; comma (,); and hyphen (-).

5. Foreign Employer/Payer Address on Forms W-2/W-2G/1099-R

   Employer/Payer State: Period (.).

6. **Employee, Recipient/Winners with Foreign Address on Form W-2/W-2G/1099R**

   Employee/Recipient/Winner State: Enter Period (.).

7. Other Schedules/Forms with Similar Fields

   Follow character set instructions for fields that most resemble those listed above.

8. Summary Record

   IP Address: 0-9, period (.) or blank ().

Section 6 - Criteria for Filer Front-End Checks

.01 Refund Delay Conditions

The following conditions may delay the refund and/or change the refund amount.

1. Taxpayer owes back taxes, either individual or business (refund offset).

2. Taxpayer owes delinquent child support (refund offset).

3. Taxpayer has certain delinquent federal debit, such as student loans, etc. (refund offset).

4. The last name and social security number of the primary taxpayer must be the same as on last year's return or the return will be delayed at least one week for rematching. It is **strongly** suggested that you use the name as it appears on the mailing label of the tax package.

5. The Estimated Tax payments reported on the return do not match the Estimated Tax payments recorded on the IRS Master File. This generally occurs when:

   a. The spouse made separate Estimated Tax payments and filed a joint return, or vice versa; or

   b. The return was filed before the last Estimated Tax payment was credited to the account.

6. The taxpayer has a Schedule E claiming a deduction for a questionable tax shelter.

7. The taxpayer is claiming a blatantly unallowable deduction.

8. The taxpayer is considered to be a first-time filer. A first-time filer is defined as an taxpayer who has not filed a tax return as a primary or secondary taxpayer during the previous ten years.

Section 6 - Criteria for Filer Front-End Checks

.02 Optional Social Security Number Validation against Label

Preparers may wish to make a computer check on the validity of the SSN's of those taxpayers who have IRS preprinted mailing labels to prevent data entry errors that would result in delayed refunds. The two alpha characters that appear on the IRS label are check digits that can be used to verify the SSN. Use the following formula to validate the transcription of the SSN when the taxpayer presents an IRS mailing label:

1. Generate the high order check digit by multiplying the specific digits by the appropriate weight multiple.

Digit of the SSN	Times	Weight Multiple
1st position (high order)	X	+1
2nd position	X	+2
3rd position	X	-4
4th position	X	+1
5th position	X	+2
6th position	X	-4
7th position	X	+1
8th position	X	+2
9th position	X	-4

2. Add the products to an accumulator. If the net result of the accumulation is within the range of 0 through -22, select the alphabetical equivalent from the alphabetic table below. If the net result is outside the range of the table, check the sign of the accumulation.

   If the sign is plus, subtract 23 from the result; if the sign is minus, add 23 to the result. Repeat this until the result is within the range of the table and select the alphabetic equivalent from the table for the high order position of the check digit.

.02 Optional Social Security Number Validation against Label (continued)

3. Generate the low order position of the check digit by multiplying the specific digits by the appropriate weight multiple.

Digit of the SSN	Times	Weight Multiple
1st position (low order)	X	+1
2nd position	X	-3
3rd position	X	+1
4th position	X	-3
5th position	X	+1
6th position	X	-3
7th position	X	+1
8th position	X	-3
9th position	X	+1

4. Add the products to an accumulator and repeat the calculation in "2" above to arrive at the low order position of the check digit.

5. Alphabetic Table

0 = A	-8 = K	-16 = T
-1 = B	-9 = L	-17 = U
-2 = C	-10 = N	-18 = V
-3 = D	-11 = O	-19 = W
-4 = F	-12 = P	-20 = X
-5 = H	-13 = Q	-21 = Y
-6 = I	-14 = R	-22 = Z
-7 = J	-15 = S	

.03 SSN Validation

Refer to **Attachment 8** for valid ranges of Social Security/Taxpayer Identification Numbers.

.04 Optional Validation of Routing Transit Number (RTN)

Verify the validity of the Routing Transit Number by computing the check digit, which is the ninth digit of the RTN. There may be instances in which the RTN is valid in format and equal to an actual number used by a financial institution, but is not yet on the Financial Management Organization Master File (FOMF). In these cases, the tax return would be rejected.

The steps are as follows:

1. Multiply each of the first eight digits of the RTN by the appropriate multiplier (the first digit multiplied by 3, the second by 7, the third by 1, the fourth by 3, the fifth by 7, the sixth by 1, the seventh by 3, and the eighth by 7).

2. Add all the products.

3. Subtract the sum of all the products from the next multiple of ten.

4. The remainder is the check digit, which must be equal to the ninth digit of the RTN.

   Note: If the sum of the products is evenly divisible by 10, the check digit is zero (0).

5. Example:

   If 120139013 were the RTN, verify the check digit as follows:

   a. Multiply each of the first eight digits, 12013901, by 37137137 respectively:

Routing Transit Number	1	2	0	1	3	9	0	1
Constant Multiplier	X3	X7	X1	X3	X7	X1	X3	X7
	3	14	0	3	21	9	0	7

   b. Add the products: 3 + 14 + 0 + 3 + 21 + 9 + 0 + 7 = 57

   c. Subtract the sum of all the products from the next multiple of ten: 60 - 57 = 3

   d. The remainder is the check digit: 3

   e. If the check digit does not equal the ninth digit of the RTN, verify that the first eight digits of the RTN were correctly entered from the source document and recompute if appropriate.

   Note: If the check digit does not match, the refund cannot be directly deposited.

Section 7 - Formats for Name Controls, Name Lines, and Addresses

The instructions in sub-sections 7.01 through 7.04 must be carefully followed to avoid delaying returns for error conditions. They must be included in electronic filers' programs as consistency tests and in the data entry instructions.

The Primary SSN, Primary Name Control, State Abbreviation, and Zip Code should be key verified to avoid lengthy delays caused by mismatches with existing taxpayer information in IRS records or by undeliverable refund checks.

.01 Name Controls for Individual Tax Returns

1. Primary Name Control (SEQ 050) of Form 1040/1040A/1040EZ must equal the first four significant characters of the primary taxpayer's last name. No leading or embedded spaces are allowed. The **first** left-most position must contain an alpha character. Only alpha, hyphen, and space are allowed. Omit punctuation marks, titles and suffixes.

   Spouse's Name Control (SEQ 055) of Form 1040/1040A/1040EZ, Dependent Name Control (SEQ 172, 182, 192, 202, 212, 222) of Form 1040/1040A, Qualifying Child Name Control (SEQ 007, 077) of Schedule EIC, Parent Name Control (SEQ 045) of Form 8615, and Child Name Control (SEQ 015) of Form 8814 must meet the same criteria.

   Examples:

Individual Name	Primary Name Control
John Brown	BROW
John Di Angelo	DIAN
John En, Sr.	EN
John Lea-Smith	LEA-
Joe McCarty	MCCA
Mary Smith & John Jones	SMIT
John O'Neil	ONEI

2. Consider certain foreign suffixes as part of the last name (i.e., Armah-Bey, Paz-Ayala, Allar-Sid). Particular attention must be given to those names that incorporate a mother's maiden name as a suffix to the last name. This practice is common in names of Spanish extraction. Consider the mother's maiden name as part of the surname for Name Control purposes.

   Examples:

Individual Name	Primary Name Control
Abdullah Allar-Sid	ALLA
Jose Alvarado Nogales	ALVA
Juan de la Rosa Y Obregon	DELA
Pedro Paz-Ayala	PAZ-
Donald Vander Neut	VAND
Otto Von Wodtke	VONW

Section 7 - Formats for Name Controls, Name Lines, and Addresses

.01 Name Controls for Individual Tax Returns (continued)

3. Below are examples of Indo-Chinese last names and the derivative Name Control. Some Indo-Chinese names have only two characters. Indo-Chinese names often have a middle name of "Van" (male) or "Thi" (female).

   Examples:

Individual Name	Primary Name Control
Binh To La	LA
Kim Van Nguyen	NGUY
Nhat Thi Pham	PHAM
Jin-Zhang Qui & Yen-Yin Chiu	QUI

.02 Name Line 1 Format

1. Name Line 1 (SEQ 060) of Form 1040/1040A/1040EZ can have no leading or consecutive embedded spaces. The only characters allowed are alpha, ampersand (&), hyphen (-), less-than sign (<), and space. The left-most position must be alpha. The less-than sign replaces the intervening space to identify the primary taxpayer's last name. It cannot be preceded by or followed by a space.

2. All apostrophes (') and any other punctuation characters, except the hyphen (-), must be omitted from names and the alphabetic characters shifted to the left in their place (e.g., O'Shea = OSHEA).

3. Numeric characters in name components must be replaced by alphabetic Roman Numerals (e.g., Charles 3rd = CHARLES III).

4. When a suffix such as “JR” or “III” is part of the name, enter a less-than sign (<) between the suffix and the last name. Do not enter a space before or after any less-than sign; the less-than sign takes the place of a space.

   Titles such as “M.D.” or “Ph. D.”, which are not part of a give name, may be omitted.

5. DO NOT ENTER DECEDENT NAMES IN NAME LINE 1 - DECEDENT RETURNS MAY NOT BE FILED ELECTRONICALLY.

6. Name Line 1 CANNOT CONTAIN MORE THAN 35 CHARACTERS.

   If information in Name Line 1 exceeds 35 characters, truncate using the following guidelines:

   a. Substitute the initial for the second given name.

   b. Omit initial of the second name if necessary.

   c. Substitute initials for the secondary taxpayer's given name.

   d. Substitute initials for the primary taxpayer's given name.

Section 7 - Formats for Name Controls, Name Lines, and Addresses

.02 Name Line 1 Format (continued)

7. Enter taxpayer names as follows:

   a. For one taxpayer: Enter first name, a space, middle name or middle initial, a less-than sign (<), last name. (The last name of the individual must be contained within this name line field.) If there is a suffix, enter a less-than sign (<) between the last name and the suffix.

   b. For two taxpayers with same last name: Joint returns must contain one ampersand (&) between taxpayers' first names. The taxpayer whose first name is associated with the Primary SSN used on the return must be entered first, and the last name of that taxpayer must be identified by a preceding less-than sign (<).

   c. For two taxpayers with different last names: If the spouse uses a different last name, enter the primary taxpayer's first and last names as above for one taxpayer's name, but after the last name, add another less-than sign (<) followed by an ampersand and the full name of the spouse. A maximum of two less-than signs are permitted. Any suffixes should follow the primary taxpayer's last name only.

Examples:*	Enter as:
John C. (Brown), III	JOHN C<BROWN<III
John M. (Brown), M.D.	JOHN M<BROWN
Henry A. (Carter)	HENRY A<CARTER
Frank N. (De Porta)	FRANK N<DE PORTA
Timothy (Jackson), 2nd	TIMOTHY<JACKSON<II
Carl A. (Jones) & Angie Myer	CARL A<JONES<& ANGIE MYER
Charles (Jones) & Diane D. Jones, M.D.	CHARLES & DIANE D<JONES
Florence E. (Jones) MD	FLORENCE E<JONES
Alfred (Newman), Minor	ALFRED<NEWMAN<MINOR
James R. (O'Donnell)	JAMES R<ODONNELL
James (Oliver-Keogh), 3rd	JAMES<OLIVER-KEOGH<III
Lillie B. (Owen-Smith)	LILLIE B<OWEN-SMITH
J. B. (Smith) Jr. & Ann Trent	J B<SMITH<JR & ANN TRENT
John A. (Smith), III & Ann Smith, M.D.	JOHN A & ANN<SMITH<III
John A. and Jane B. (Smith)	JOHN A & JANE B<SMITH

* Parentheses indicate the last name of the taxpayer with Primary SSN.

.03 Street Address Format

1. The Street Address (SEQ 080) of Form 1040/1040A/1040EZ contains the house number and street, route number, post office box, or box number. Enter college, building, or post office branch as the address if no other mailing address is given. If there is no address information, the literal "NONE" must be entered in the Street Address field.

2. Do not use the "#" symbol, "No.", or "Number" as a prefix to an apartment, house, P.O. Box, or route.

3. Always add "ST", "ND", "RD", "TH" to a numbered street or avenue. Examples: 1 = 1ST; 2 = 2ND; 3 = 3RD, etc.

4. Enter one-half as 1/2 (no spaces).

5. Plurals for apartment, avenue, road, street, etc., are entered as APTS, AVES, RDS, STS, etc.

6. Replace a period with a space.

7. For military overseas addresses, enter the letters "APO" or "FPO" in the first three left-most positions of the City field. Refer to Attachment 4 for list of valid APO/FPO City/State/Zip Codes.

8. Words may be abbreviated unless the word is a proper name. Refer to Attachment 2 for list of acceptable abbreviations.

Examples:	Enter as:
3 Ave.	3RD AVE
Circle Drive	CIRCLE DR
Lane Building	LANE BLDG
Northeast Street	NORTHEAST ST
South Court Street	S COURT ST
Third Street	THIRD ST

.04 Name Line 2 Format

Name Line 2 (SEQ 070) of Form 1040/1040A/1040EZ is used for a street address that requires two lines or for an "in care of" address.

An "in care of" address must be indicated by a percent (%) character, followed by a space, followed by the name of the person who is in care of the delivery.

```
Example 1:   Mr. John Jones
             In care of Alice B. Smith
             801 Brown St.

Enter As:    JOHN JONES           (Primary First Name, Primary Last Name)
             % ALICE B SMITH      (Name Line 2)
             801 BROWN ST         (Street Address)
```

If two addresses are present, enter the actual mailing address in the Street Address field. Enter the post office box in the Street Address field only if the post office does not deliver mail to the street address. The remaining address should be entered in the Name Line 2 field. Do not enter a post office box in the Name Line 2 field.

```
Example 2:   Mr. John Jones
             80 Erie Street Apartment 5
             Great Lakes Resort

Enter As:    JOHN JONES           (Primary First Name, Primary Last Name)
             GREAT LAKES RESORT   (Name Line 2)
             80 ERIE ST APT 5     (Street Address)


Example 3:   Mr. John Jones
             1 Lost Way
             P.O. Box 1502

Enter As:    JOHN JONES           (Primary First Name, Primary Last Name)
             1 LOST WAY           (Name Line 2)
             PO BOX 1502          (Street Address)


Example 4:   Mr. John Jones
             P.O. Box 150
             State University

Enter As:    JOHN JONES           (Primary First Name, Primary Last Name)
             STATE UNIVERSITY     (Name Line 2)
             PO BOX 150           (Street Address)
```

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

The business Name Control consists of four alpha and/or numeric characters. The ampersand (&) and hyphen (-) are the only special characters permitted in the Name Control. The Name Control can have fewer than four characters. Blanks may be present only as the last two positions of the Name Control.

1. Individuals (Sole Proprietorships)

Always use the first four characters of the individual's (sole proprietor's) last name.

Examples:

Name Control Underlined	Name Control
Arthur P. Aspen	ASPE
Jane & Mark Hemlock The Sunshine Cafe	HEML
John and Mary Redwood	REDW

2. Estates

Always use the first four characters of the last name of decedent. The last name of the decedent may be followed by the word "Estate" in the first name line.

Examples:

Name Control Underlined	Name Control
Estate of Jay Gold	GOLD
Homer J. Maroon Estate	MARO
Frank White Estate Alan Baker Exec.	WHIT

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

3. Partnerships

Determine the Name Control using the following order of selection:

a. Derive the Name Control for partnership entities from the trade or business name of the partnership. Omit the word "The" when it is followed by more than one word. Include the word "The" when it is followed by only one word.

Examples:

Name Control Underlined	Name Control
Alabaster Group B.J Fuschia, M.L. Magenta, & R. T . Indigo Ptrs.	ALAB
The Green Parrot	GREE
Harold J. Crimson & Bernard L. Ochre et at Ptr. Howard Azure Development Co.	HOWA
W.P Plum & H.N. Lavender dba P & L Pump Co.	P&LP
Rose Restaurant	ROSE
The Blues	THEB
Violet Drywall Finishers William Wheat, Gen. Ptr	VIOL

b. If no trade or business name is present, derive the Name Control from the surname of the first listed partner.

Examples:

Name Control Underlined	Name Control
Burgundy, Olive & Cobalt, Ptrs.	BURG
Bob Orange & Carol Black	ORAN
G.H. Orchid et al Ptrs.	ORCH
A.B., C.D., & E.F. Turquoise	TURQ

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

4. Corporations

a. Use the first four significant characters of the corporation name.

Examples:

Name Control Underlined	Name Control
11th Street Inc.	11TH
Falcon Field Plow Inc.	FALC
J.R. Oriole Inc.	JROR
P & P Company	P&PC
Purple Martin Ltd.	PURP
RS Corporation	RSCO
Whippoorwill Homeowners Assn.	WHIP
Y-Z Drive Co.	Y-ZD
ZZZ Club	ZZZC

b. When determining a corporate Name Control, omit the word "The" when it is followed by more than one word. Include the word "The" when it is followed by only one word.

Examples:

Name Control Underlined	Name Control
The Meadowlark Co.	MEAD
The Swan	THES

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

c. If an individual name contains the following abbreviations, use corporate Name Control rules.

SC - Small Corporation
PA - Professional Association
PC - Professional Corporation
PS - Professional Service

Examples:

Name Control Underlined	Name Control
Carl Sandpiper M.D.P.A.	CARL
John Waxwing PA	JOHN
Sam Sparrow SC	SAMS

d. When the organization name contains the word "Fund" or "Foundation," corporate rules still apply.

Examples:

Name Control Underlined	Name Control
The Joseph Eagle Foundation	JOSE
Kathryn Canary Memorial Fdn.	KATH

e. Corporate Name Control rules apply to local governmental organizations and to chapter names of national fraternal organizations.

Examples:

Name Control Underlined	Name Control
City of Fort Hulsache Board of Commissioners	CITY
House Assn. Of Beta XI Chapter of Omicron Delta Kappa	HOUS
Rho Alpha Chapter Epsilon Alpha Tau Fraternity	RHOA
Waxwing County Employees Association	WAXW

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

5. Trusts and Fiduciaries

Derive the Name Control from the name of the trust, using the following order of selection:

a. For individuals, use the first four characters of the last name.

Examples:

Name Control Underlined	Name Control
Richard L. Aster Charitable Remainder Unitrust	ASTE
Testamentary Trust U/W Margaret Balsam Cynthia Ivy & Laura Iris	BALS
Donald C. Begonia Trust FBO Mary, Karen, & Michael Violet	BEGO
Jonathan Periwinkle Irrevocable Trust FBO Patrick Redwood Chestnut Bank TTEE	PERI

b. For corporations, use the first four characters of the corporate name.

Examples:

Name Control Underlined	Name Control
Daisy Corp. Employee Benefit Trust	DAIS
Marigold Association Charitable Lead Trust	MARI
Morningglory Church Endowment Trust John J. Waxbean, Trustee	MORN

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

c. For numbered trusts and GNMA Pools, use the first digits of the trust number disregarding any leading zeros and/or trailing alpha characters. If there are fewer than four numbers, use the letters "GNMA" to complete the Name Control.

Examples:

Name Control Underlined	Name Control
GNMA Pool No. 00100B	100G
ABCD Trust No. 001036, Lotusbank TTEE	1036
Trust No. 12190, FBO Margaret Lily	1219
0020, GNMA POOL	20GN

d. If none of the above information is present, use the first four characters of the last name of the trustee (TTEE) or beneficiary (FBO).

Examples:

Name Control Underlined	Name Control
Testamentary Trust Edward Bluebell TTEE	BLUE
Trust FBO The Cherryblossom Society	CHER
Trust FBO Eugene Eucalyptus	EUCA
Michael Tulip Clifford Trust	TULI

Note: "Clifford Trust" is the name of a type of trust.

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

6. Other Organizations

a. The only organization that will always be abbreviated is Parent Teachers Association (PTA). The Name Control is "PTA" plus the first letter of a State, whether or not the state name is present as part of the name of the organization.

Examples:

Name Control Underlined	Name Control
Parent Teachers Association of San Francisco	PTAC
Parent Teachers Association Congress of Georgia	PTAG

b. If the business name contains an abbreviation other than "PTA," the Name Control is the first four characters of the abbreviated name.

Examples:

Name Control Underlined	Name Control
A.I.S.D	AISD
R.S.V.P. Post No.245	RSVP

c. The Name Control is the first four characters of the national title.

Examples:

Name Control Underlined	Name Control
Local 210 International Canary Assn.	INTE
Laborers Union, AFL-CIO	LABO
Post 3120, Veterans of Space Wars of U.S. Dept. of Georgia	VETE

.05 Business Name Controls for Forms W-2, W-2G, 1099-R, 2441 and Schedule 2

d. When an individual name and corporate name appear, the Name Control is the first four letters of the corporate name.

Example:

Name Control Underlined	Name Control
Barbara J. Zinnia ZZ Grain Inc.	ZZGR

e. For churches and their subordinates (i.e., nursing homes, hospitals), derive the Name Control from the legal name of the church.

Examples:

Name Control Underlined	Name Control
St. Bernard's Methodist Church Bldg. Fund	STBE
Diocese of Kansas City St. Rose's Hospital	STRO
St. Silver's Church Diocese of Larkspur	STSI

.06 Foreign Employer/Payer Address on Forms W-2/W-2G/1099-R

1. **Employer/Payer Name Line 2:** Foreign Street Address - If none, enter "NONE".

   Employer/Payer Address: **Foreign city, province or postal code.**

   Employer/Payer City: **Foreign** country **name**. Do not abbreviate the country name.

   Employer/Payer State: Period (.).

2. **Employee, Recipient/Winners with Foreign Address on Form W-2/W-2G/1099R**

   Employee/Recipient/Winner Street Address: Foreign Street Address – If none, enter "NONE".

   Employee/Recipient/Winner Address Continuation: Foreign city, province or postal code

   Employee/Recipient/Winner City: Foreign Country Name. Do not abbreviate country name unless absolutely necessary.

   Employee/Recipient/Winner State: Enter Period (.).

Section 8 - Statement Records

.01 General Information

Statement Records are transmitted as part of the tax return and can only be used when the Field Description in the Record Layouts contains " STMbnn". Statement Records follow the Tax Form, Schedules, **Forms and Authentication Records** and precede **the Preparer Note, Election Explanation, Regulatory Explanation,** State and Summary Records.

See Section 10.02 for Error Reject Codes pertaining to Statement Records.

See Part II Record Layouts for the fields that can contain " STMbnn" and to determine how the data fields should be formatted.

See Part II Record Layouts Section 5 for the Statement Record Layout.

.02 Types of Statement Records

There are two types of Statement Records:

1. **Optional Statement Records** are used only when there are not enough occurrences in the Record Layouts for all the occurrences of a field needed for a particular schedule or form. An optional Statement Record must contain at least four Statement Lines. Fields that can contain a reference to an optional Statement Record are identified in the Record Layouts by an asterisk (*) before the Field Sequence Number. Related fields, which are identified by a plus sign (+), must be included in the Statement Record.

   Example:
   A taxpayer files Schedule A to claim a deduction for three types of other taxes paid, but the Record Layout for Line 8 of Schedule A only allows for one occurrence of "Other Taxes Type" (SEQ *130) and "Other Taxes Amount" (SEQ +135). A statement reference is entered in the field "Other Taxes Type" (SEQ *130) of Schedule A, and each Statement Line (03-05) of the corresponding Statement Record will contain the type and amount for each of the other taxes paid.

2. **Required Statement Records** are used only when a statement of explanation is necessary. A required Statement Record must contain at least three Statement Lines and the second line must be blank. Fields that can contain a reference to a required Statement Record are identified in the Record Layouts by an at-sign (@) before the Field Sequence Number. Unlike optional statement fields, which can contain either data or a statement reference, required statement fields can contain a statement reference only.

.02 Types of Statement Records (continued)

Example:

A taxpayer files Schedule A to claim a deduction for interest paid on a mortgage by the taxpayer and another person, but the Form 1098 was received by the other person. The taxpayer is required to provide the name and address of the other person. A statement reference is entered in the field "Form 1098 Name/Address" (SEQ @165) of Schedule A, and the name and address are entered in Statement Line 03 of the corresponding Statement Record.

.03 Statement Record Format

1. Each line of a Statement Record is counted as a separate record and must contain the Byte Count, Start of Record Sentinel, Record ID **Group (Fields 0000 through 0006),** Statement Data **(Field 0010)** and the Record Terminus Character. **Each line is a fixed-sized record of 123 bytes whether transmitting in fixed or variable format. Delimiters "[" and "]" are not used on statement records.** |

2. Each statement line of the Statement Record contains the 80-character Statement Data.

   When the total length of the related fields is less than 80 characters, the line must be blank-filled to equal the length of 80 characters.

   When the total length of the related fields exceeds the 80-character length of the Statement Data (Field 6) of the Statement Record, the information must be provided in two parts. The second part is actually a separate "continuation" Statement Record, which requires a separate statement reference and statement number. Fields that can contain a reference to continuation statement record are identified by an asterisk and a plus sign (*+) before the Field Sequence Number.

3. The individual data fields of Statement Records are not keyed to Field Sequence Numbers. Therefore, all data fields must be formatted as fixed length fields, so that the data will appear in the correct positions. If a field contains no data, it must be blank-filled or zero-filled, as appropriate.

4. Each Statement Reference on the tax return must have a corresponding Statement Record.

5. The total number of Statement Records cannot exceed the total number of Statement References entered in the tax return.

Section 8 - Formats for Statement Records

.03 Statement Record Format (continued)

6. A maximum of 30 Statement References can be entered in a tax return.

7. A Statement Record can contain a maximum of two pages. The first page can contain a maximum of 50 lines. The second page can contain a maximum of 49 lines. There is an absolute limit of 999 statement lines permitted for each tax return.

   When the second page of a Statement Record is used, data fields are entered on the first line (LN51) of Page 02 in the same format used for lines 03 - 50 of Page 01.

   Note: If desired, the line numbering for Page 02 can begin with "LN01", instead of "LN51"; however, do not enter titles and column headings in the first two lines of Page 02, regardless of the line numbering style used.

8. The Statement Reference and the corresponding Statement Record contain a Statement Number, which can equal any number from 01 to 99. The Statement Reference Numbers on the tax return must be in ascending numerical sequence and must be referenced in the same order as the transmission sequence of the schedules and forms. A Statement Number cannot be used more than once.

   Note: Although Statement Numbers must be in ascending sequence, they do not have to be in consecutive numerical sequence.

9. The first line **of the first page** of a statement record (PG01 LN01) will contain a literal description (title) of the statement record. **It is recommended that the name and page of the schedule or form precede any other descriptive information entered on this line** (e.g., "SCHEDULE D PAGE 1 SHORT TERM CAPITAL GAINS AND LOSSES").

10. An optional statement record must contain at least four lines. The second line **of the first page** of an optional statement record (PG01, LN02) contains the column headings from the schedule or form (e.g., "ST PROP DESCRIP", "DATE.."), with the headings spaced as they would appear on the printed form).

11. Each subsequent line of an optional statement record (LN03 to LN99) contains the related data fields in the format in which they appear in the record layouts. It is imperative that the data fields are entered in the statement record with the exact length and format defined in the record layouts.

12. A required statement record must contain at least three lines. The second line of a required statement record (LN02) must be blank.

13. Each subsequent line of a required statement record is used as needed for a narrative statement of explanation or to supply any additional information required.

Section 8 - Formats for Statement Records

.04 Examples of Optional Statement Records

1. Optional Statement Record - Page 01 and Page 02 (Fixed or **Variable** Format)

   The following example includes Page 01 and Page 02 of a Statement Record for Schedule B. The Statement Reference Number "STM 01" is entered in the field "Interest Payer 1" (*SEQ 030) of Schedule B.

   Page 01 Line 01:

   ---------1---------2---------3---------4---------5---------6
   0123****STM 01   PG01 333003333 LN01   **bbbbbbbbbbbbbbbbbb**
   SCHEDULE B INTEREST INCOME**bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb**
   bb#

   Line 01 of Page 01 contains the name (and page number if present) of the schedule or form and a title describing the information contained in the statement record. Blanks may be placed before the text in Line 01 to "center" the title.

   Page 01 Line 02:

   ---------1---------2---------3---------4---------5---------6
   0123****STM 01   PG01 333003333 LN02   **bbbbbbbbbbbbbbbbbb**
   INTEREST PAYER**bbbbbbbbbbbbbbbbbbbbb**AMOUNT**bbbbbbbbbbbbbbbbbbb**
   bb#

   Line 02 of Page 01 contains column titles (headers) for an Optional Statement Record. The spacing of the column titles is determined by the filer, allowing for easy readability.

   Page 01 Line 03:

   ---------1---------2---------3---------4---------5---------6

   0123****STM 01   PG01 333003333 LN03   FIRST NATIONAL BAN
   K**bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb**00000000350 **bbbbbbbbbbbbbbbb**
   bb#

   Line 03 is the first line containing data for individual fields. The data fields are entered in the statement lines as they would be entered on the schedule or form. In this example, the first data field is alphanumeric with a length of 50 characters. The information for this field equals 19 characters, including embedded blanks, so the remaining 31 characters are blank-filled.

   The next data field is a signed numeric field with a length of 12 characters. A money amount field must contain 11 numeric characters followed by a blank for a positive amount, or by a minus sign for a loss. In this example, the value of the money amount is 350, so the entry is right-justified and zero-filled with eight zeros, allowing for a blank in the 12th position.

   The total of the maximum lengths of the two data fields in this example equals 62 characters (50 + 12). The length of the Statement Data must equal 80 characters, so 18 blanks follow the last character of the second data field.

.04 Examples of Optional Statement Records (continued)

Page 01 Line 04:

```
---------1---------2---------3---------4---------5---------6
0123****STM 01      PG01 333003333 LN04   LOTS OF MONEY MARK
ETbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb00000000200 bbbbbbbbbbbbbbbb
bb#
```

Lines 04 - 50 of Page 01 are used to report additional interest.

Page 01 Line 50:

```
---------1---------2---------3---------4---------5---------6

0123****STM 01      PG01 333003333 LN50   CREDIT UNIONbbbbbb
bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb00000004800 bbbbbbbbbbbbbbbb
bb#
```

In this example, interest has been received from more than 48 payers, so Page 02 of the same Statement Record will be used.

Page 02 Line 51:

```
---------1---------2---------3---------4---------5---------6

0123****STM 01      PG02 333003333 LN51   FORTY NINE SAVINGS
 AND LOANbbbbbbbbbbbbbbbbbbbbbbb00000006000 bbbbbbbbbbbbbbbb
bb#
```

Data fields are entered on the first line (LN51) of Page 02 in the format used for lines 03 - 50 of Page 01. Although "LN51" is used as the number of the first line of Page 02 in this example, the line numbering for Page 02 can begin with "LN01", if desired. In either case, do not enter titles and column headings in the first two lines of Page 02.

Lines 51 - 99 (or 01 - 49) of Page 02 are used as needed.

Section 8 - Formats for Statement Records

.04 Examples of Optional Statement Records (continued)

2. Optional Statement Record (**Fixed or** Variable Format) |

The following is an example of the first part of a two-part Statement Record for Schedule E Page 2 Part III. The second part is actually a separate Statement Record with its own Statement Reference Number, but is referred to as a "continuation" Statement Record.

For the first part of the Statement Record in this example, the Statement Reference Number "STM 02" is entered in the field "Estate/Trust Name A" (*SEQ 1790) of Schedule E.

Line 01:

```
---------1---------2---------3---------4---------5---------6
0123****STM 02      PG01 444004444 LN01   SCHEDULE E PAGE 2
PART IIIbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb
bb#
```

Line 02:

```
---------1---------2---------3---------4---------5---------6
0123****STM 02      PG01 444004444 LN02   COLUMN Abbbbbbbbb
bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbCOLUMN B bbbb
bb#
```

Line 03:

```
---------1---------2---------3---------4---------5---------6
0123****STM 02      PG01 444004444 LN03   BROWN ESTATEbbbbbb
bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb112222222bbbb
bb#
```

Line 04:

```
---------1---------2---------3---------4---------5---------6
0123****STM 02      PG01 444004444 LN04   LANGLEY ESTATEbbbb
bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb223333333bbbb
bb#
```

Line 05:

```
---------1---------2---------3---------4---------5---------6
0123****STM 02      PG01 444004444 LN05   FORTUNE ESTATEbbbb
bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb334444444bbbb
bb#
```

Line 06:

```
---------1---------2---------3---------4---------5---------6
0123****STM 02      PG01 444004444 LN06   CHERRY TRUSTbbbbbb
bbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb445555555bbbb
bb#
```

.04 Examples of Optional Statement Records (continued)

3. Optional Statement Record - Continuation Statement (**Fixed or** Variable Format) |

For the Continuation Statement Record in this example, the Statement Reference Number "STM 03" is entered in the field "Passive F8582 Loss" (*+SEQ 1807) of Schedule E.

Line 01:

```
---------1---------2---------3---------4---------5---------6
0123****STM 03      PG01 444004444 LN01   SCHEDULE E PAGE 2
PART III CONTINUATIONbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbbb
bb#
```

Line 02:

```
---------1---------2---------3---------4---------5---------6
0123****STM 03      PG01 444004444 LN02   COLUMN C    COLUMN
 D    COLUMN E    COLUMN F    bbbbbbbbbbbbbbbbbbbbbbbbbbbbbb
bb#
```

Lines 03-06 contain data in Column D only; Columns C, E, and F must be zero-filled.

Line 03:

```
---------1---------2---------3---------4---------5---------6
0123****STM 03      PG01 444004444 LN03   00000000000 000000
01600 00000000000 00000000000 bbbbbbbbbbbbbbbbbbbbbbbbbbbbbb
bb#
```

Line 04:

```
---------1---------2---------3---------4---------5---------6
0123****STM 03      PG01 444004444 LN04   00000000000 000000
00500 00000000000 00000000000 bbbbbbbbbbbbbbbbbbbbbbbbbbbbbb
bb#
```

Line 05:

```
---------1---------2---------3---------4---------5---------6
0123****STM 03      PG01 444004444 LN05   00000000000 000000
01600 00000000000 00000000000 bbbbbbbbbbbbbbbbbbbbbbbbbbbbbb
bb#
```

Line 06:

```
---------1---------2---------3---------4---------5---------6
0123****STM 03      PG01 444004444 LN06   00000000000 000000
03000 00000000000 00000000000 bbbbbbbbbbbbbbbbbbbbbbbbbbbbbb
bb#
```

Section 8 - Formats for Statement Records

.05 Reporting Money Amount Fields and Totals

The following "total" fields on the tax form, schedules, and forms should reflect the total of the money amount fields reported on the related Statement Record. If a Statement Record is not present, the applicable money amount should be entered in the specific field and repeated in the "total" field.

Schedule/Form	SEQ#	Identification
Form 1040 Page 1	590	Total Other Income
	697	Total Alimony Paid
	735	Total Other Adjustments
Form 1040 Page 2	1125	Total Other Tax
	1177	Total NEI Amount
Form 1040A Page 2	1177	Total NEI Amount
Form 1040EZ	1177	Total NEI Amount
Schedule A	140	Total Other Taxes Amount
	410	Total Unreimbursed Employee Business Expense Amount
	435	Total Other Expenses
	495	Total Other Expenses Limit
Schedule B	025	Total Seller Financed Mortgage Amount
Form 6198	040	Total Other Gain/Loss

Section 9 - Validation - Transmission Records

Balance Due Returns and Refund Returns can be included in the same transmission.

If any of the following reject conditions exist in a Transmission Record, the entire transmission will be rejected.

.01 General Transmission Reject Conditions

805 o TRANS Record B (TRANB) must be present.

823 o Unrecognizable Transmission - If there are any unrecognizable or inconsistent control data, the transmission will be rejected.

825 o Invalid Sequence of Records in Transmission - The data records of the transmission must be in the following sequence: TRANA, TRANB, Return Records (1-500 for dial-up or 1-**10,000** for dedicated/leased line or **high speed protocal**), and RECAP. |

o The format and content of the TRANA, TRANB, and RECAP Records must be exactly as defined in Part II Record Layouts.

.02 TRANS Record A (TRANA) Reject Conditions

806 o Processing Site **(SEQ 040)** must equal a valid Electronic Filing site: "A" = Cincinnati, "B" = Ogden, "C" = Andover, "D" = Memphis, "E" = Austin. |

822 o Transmission Sequence for Julian Day (**SEQ 080**) matches a previously accepted transmission (Duplicate Transmission). |

Julian Day (**SEQ 070**) of TRANS Record A (TRANA) must equal the actual day of the transmission to the IRS and the Transmission Sequence **(SEQ 080)** must be for that same Julian Day. (Each transmission of returns for a Julian Day must have the Transmission Sequence incremented by one. The first transmission beginning after midnight should have the Julian Day for the day, e.g., "015" beginning at 12:01 a.m. with Transmission Sequence of "01".) |

824 o Transmitter EFIN **(SEQ 110)** must be present. |

.03 RECAP Record Reject Conditions

830 o Total EFT **(SEQ 020)** does not equal program-computed count. Total EFT Count is a count of Direct Deposit Requests and is incremented for each return that contains a non-blank character in any one of the Direct Deposit data fields (SEQ 1272, 1274, 1276, 1278) of the Tax Form. If an extraneous character is present within those fields, it will be counted as an EFT. |

831 o Total Return Count **(SEQ 030)** does not equal program-computed count. Total Return Count is a count of returns transmitted and is incremented each time the Primary SSN within a Record ID changes. |

840 o The following fields must equal those in the Trans Record A (TRANA):

IDENTIFICATION	TRANA	RECAP	
Electronic Trnsmtr Identification Number (ETIN)	**SEQ 060**	**SEQ 040**	|
Julian Day of Transmission	**SEQ 070**	**SEQ 050**	|
Transmission Sequence Number for Julian Day	**SEQ 080**	**SEQ 060**	|

Section 10 - Validation - Tax Return

.01 General Reject Conditions

001 o Page 1 of Form 1040, Form 1040A, or Form 1040EZ must be present.

o The Summary Record must be present.

010 o Each field can contain only the type of data specified in its Field Description in Part II Record Layouts.

o Significant money amount fields must be right-justified (and zero-filled when transmitting in fixed format). Money amount fields must contain whole dollars (no cents). When a field is defined as "N (positive only)", the field must be present and must contain an amount greater than or equal to zero.

o For numeric fields that can contain a literal value, entries must be left-justified and blank-filled when transmitting in fixed format. When transmitting in variable format, only significant characters are transmitted.

When transmitting in fixed or variable format, significant date fields must contain numeric characters in the following formats, unless otherwise specified in Part II Record Layouts:
Year fields with a length of four positions = YYYY, date fields with six positions = MMYYYY, date fields with eight positions = MMDDYYYY **unless otherwise specified.**

o All alphanumeric fields must be left-justified (and blank-filled when transmitting in fixed format) unless otherwise specified.

014 o When there is an entry in a field defined as "NO ENTRY", the return will be rejected. (See Part II Record Layouts for "NO ENTRY" fields.)

Section 10 - Validation - Tax Return

.01 General Reject Conditions (continued)

030 o **Taxpayer Identification Number (SEQ 003)** of all data records in a tax return must contain the same Primary SSN. |

-|

o Schedule Occurrence Number (**SEQ 005** of the Schedule Record Identification) and Form Occurrence Number (**SEQ 005** of the Form Record Identification) must be significant and in ascending, consecutive numerical sequence beginning with "**0000001**". |
Note: For multiple occurrences of a schedule or form, the Page Number (**SEQ 002** of the Schedule or Form Record Identifications) | must be sequential within **each occurrence of a** schedule or Form. |

o All pages of a multiple-page schedule or form must be present. Listed below are exceptions to this rule:
-Page 2 may be present without Page 1 and vice versa for the following: Schedule E, Form 4684, Form 4797, Form 8283, Form 8606, and Form 8853.
-Page 2 need not be transmitted if there are no entries for that page (but Page 2 cannot be present without Page 1) for the following: Schedule C, Schedule D, Schedule F, Schedule H, Schedule 2, Form 2106, Form 2441, Form 4562, Form 5329, Form 6251, | Form 8582-CR, and Form 8839.
-Page 2 and Page 3 are optional for Form 2210 and Form 8582, but neither Page 2 nor Page 3 can be present without Page 1.
-Form 4136 Page 2 may be present without Page 1, but if Page 1 is present, then Page 2 must also be present.
-State Record ST 0001 may be present without ST 0002, but ST 0002 cannot be present without ST 0001.

o For Form 1040, Pages 1 and 2 must be present, and the following cannot be present: Form 1040A Pages 1 and 2, Schedule 1, Schedule 2, Schedule 3, Form 1040EZ. -|
For Form 1040A, Pages 1 and 2 must be present, and the following cannot be present: Form 1040 Pages 1 and 2, Form 1040EZ.
For Form 1040EZ, must be present, and the following cannot be present: Form 1040 Pages 1 and 2, Form 1040A Pages 1 and 2. -|

-|

033 o Fields within a record cannot be longer than specified in Part II Record Layouts.

o Name Line 1 (SEQ 060) of the Tax Form can have a maximum of 35 characters; any more than 35 will be dropped. See Section 7.02 for Name Line 1 format.

Section 10 - Validation - Tax Return

.01 General Reject Conditions (continued)

034 o For each record, significant data must be present in the Record ID **Group**.

035 o Field Sequence Numbers within each record must be in ascending order and must be valid for that record.

044 o The record has an invalid **field in one of the** Record ID **Group**. The error may be one of the following:
-The **Taxpayer Identification Number (SEQ 003)** within the Record ID does not match Primary SSN (SEQ 010) of the Tax Form.
-The schedule or form is invalid for electronic filing or the page number is incorrect or duplicated.
-Each record must be followed by a record terminus character (#).

045 o The format and content of the Record ID **Group** that begins each record must be exactly as defined in Part II Record Layouts and must not duplicate another Record ID **Group**.

o If the Schedule/Form Occurrence Number **(SEQ 005) of Record ID** is invalid, or is a duplicate, or exceeds the maximum number permitted for that record the return will be rejected. Refer to Attachment 10 for the maximum number of schedules/forms permitted in an electronically filed tax return.

500 o Primary SSN (SEQ 010) and Primary Name Control (SEQ 050) of the Tax Form must match data from the IRS Master File.

501 o Qualifying SSN **(SEQ 015, 085)** of Schedule EIC and the corresponding Year of Birth (SEQ 020, 090) must match data received from the Social Security Administration.

o Qualifying SSN **(SEQ 015, 085)** of Schedule EIC and the corresponding Qualifying Child Name Control (SEQ 007, 077) must match data from the IRS Master File.

502 o Employer Identification Number (SEQ 040) of Form W-2, Payer Identification Number (SEQ 026) of Form W-2G, and Payer Identification Number (SEQ 050) of Form 1099-R must match data from the IRS Master File.

503 o Secondary SSN (SEQ 030) and Spouse's Name Control (SEQ 055) of the Tax Form must match data from the IRS Master File.

504 o Dependent's SSN (SEQ 175, 185, 195, 205, 215, 225) of Form 1040/1040A and corresponding Dependent Name Control (SEQ 172, 182, 192, 202, 212, 222) must match data from the IRS Master File.

505 o Employer Identification Number (SEQ 040) of Form W-2, or Payer Identification Number (SEQ 026) of Form W-2G, or Payer Identification Number (SEQ 050) of Form 1099-R was issued in the current processing year.

506 o Qualifying SSN **(SEQ 015, 085)** of Schedule EIC was previously used for the same purpose.

.01 General Reject Conditions (continued)

507 o Dependent's SSN (SEQ 175, 185, 195, 205, 215, 225) of Form 1040/1040A was previously used for the same purpose.

508 o Primary SSN (SEQ 010) has been used as a Secondary SSN (SEQ 030) on another return with filing status 2-Married filing joint status (SEQ 130); or Secondary SSN (SEQ 030) has been used as a Primary SSN on another return.

509 o Secondary SSN (SEQ 030) was previously used as a Dependent's SSN or as a Schedule EIC Qualifying SSN on a previous or current return; or Dependent's SSN was used as a Secondary SSN on a previous or current return; or Schedule EIC Qualifying SSN was used as a Secondary SSN on a current or previous return.

510 o Primary SSN (SEQ 010) and/or Secondary SSN (SEQ 030) where self was claimed as an exemption (SEQ 160) has also been used as a Dependent's SSN (SEQ 175, 185, 195, 205, 215, 225) on another return.

511 o Primary SSN (SEQ 010) was used with the Filing Status (SEQ 130) other than “3” or “4”, and was also used as a Secondary SSN (SEQ 030) on another return with filing status value “3”.

512 o Student's Name Control (SEQ 030, 100, 170, 270, 310, 350, 390, 430) of Form 8863 and corresponding Student's SSN (SEQ 035, 105, 175, 275, 315, 355, 395, 435) of Form 8863 must match data from the IRS Master File.

513 o Secondary SSN (SEQ 030) was used as a Secondary SSN more than once.

514 o Insured Name Control (SEQ 295) and Insured SSN (SEQ 310) of Form 8853 must match data from the IRS Master File.

515 o Primary SSN (SEQ 010) was used as a Primary SSN more than once.

520 o Employer Name Control (SEQ 015) and Employer Identification Number (SEQ 030) of Schedule H must match data from the IRS Master File.

521 o **Year** of Birth for the following cannot equal the current processing year: Primary SSN (SEQ 010) and Secondary SSN (SEQ 030) of the Tax Form; Dependent's SSN (SEQ 175, 185, 195, 205, 215, 225) of Form 1040/1040A; and Qualifying SSN - 1 **(SEQ 015)** and Qualifying SSN - 2 **(SEQ 085)** of Schedule EIC.

.01 General Reject Conditions (continued)

524 o Qualifying Person Name Control - 1, - 2 (SEQ 120, 221) and Qualifying Person SSN - 1, - 2 (SEQ 214, 223) of Form 2441/Schedule 2 do not match data from the IRS Master File.

525 o Eligible Child Name Control - 1, - 2 (SEQ 030, 110) and Identifying Number Child - 1, - 2 (SEQ 080, 160) of Form 8839 do not match data from the IRS Master File.

526 o Qualifying Person SSN - 1, - 2 (SEQ 214, 223) of Form 2441/Schedule 2 was previously used for same purpose.

527 o Identifying Number Child - 1, - 2 (SEQ 080, 160) of Form 8839 was previously used for same purpose.

528 o Student's SSN (SEQ 035, 105, 175, 275, 315, 355, 395, 435) of Form 8863 was previously used to claim Education Credit on another tax return.

600 o IRS Master File indicates that the taxpayer must file Form 8862 to claim Earned Income Credit after disallowance. Form 8862 is missing from the tax return and it is required.

900 o Primary SSN (SEQ 010) of the Tax Form cannot duplicate Primary SSN or Secondary SSN of any previously accepted electronic return for the current tax year.

902 o Declaration Control Number (DCN) **(SEQ 008)** of the Tax Return Record Identification Page 1 cannot duplicate a DCN on a previously accepted electronic return for the current processing year. |

903 o Secondary SSN (SEQ 030) of the Tax Form cannot duplicate the Secondary SSN of any previously accepted return for the current tax year. The Secondary SSN cannot have been filed previously as a Primary SSN for the current tax year.

904 o Primary SSN (SEQ 010) of the Tax Form cannot duplicate a Primary SSN within the same “drain” of returns.

905 o Declaration Control Number (DCN) **(SEQ 008)** of the Tax Return cannot duplicate a DCN within the same “drain” of returns. |

906 o Secondary SSN (SEQ 030) of the Tax Return cannot duplicate a Secondary SSN within the same “drain” of returns.

999 o A maximum of 96 Error Reject Codes can be provided in the acknowledgment file. If more than 96 reject conditions are identified, the 96th Error Reject Code will be replaced with "999".

Section 10 - Validation - Tax Return

.02 Statement Record Reject Conditions

005 o The maximum number of Statement References within a tax return is 30. (A Statement Reference is defined as "STMbnn"; the value of "nn" refers to the Statement Number.) See Section 8 for Statement Record information.

050 o The only valid entry in a Required Statement Record field (identified by an at-sign (@) in Part II Record Layouts) is a Statement Reference, i.e., "STMbnn".

o For Required Statement Records, Line 02 must be blank. Line 03 must be present and must contain significant data.

o For Required Statement Records, any Statement Reference "STMbnn" occurring within a tax return must have a corresponding Statement Record.

051 o For Optional Statement Records (identified by an asterisk (*) in Part II Record Layouts), any Statement Reference "STMbnn" occurring within a tax return must have a corresponding Statement Record.

052 o Optional Statement Records (identified by an asterisk (*) in Part II Record Layouts) are used only when the lines of data to be entered exceed spacing allowed on a schedule or form.

o For Optional Statement Records, Lines 01, 02, 03, and 04 must be present and must contain significant data.

053 o The total number of Statement Records cannot exceed the total number of Statement References within a tax return.

Section 10 - Validation - Tax Return

.03 Tax Return Record Identification (Record ID) Reject Conditions

003 o Tax Period **(SEQ 005)** equal "**200012**". For Form 1040/1040A, Tax Period **(SEQ 005)** of Tax Return Record Identification Page 2 must also equal "**200012**".

028 o EFIN of Originator **(SEQ 008b)** must contain a valid District Office Code. Refer to Attachment 7 for District Office Codes.

029 o EFIN of Originator **(SEQ 008b)** must be for a valid electronic filer.

031 o Return Sequence Number (RSN) **(SEQ 007)** must be numeric.

032 o Declaration Control Number (DCN) **(SEQ 008)** must be numeric.

060 o Return Sequence Number (RSN) **(SEQ 007)** must be in ascending numerical sequence within a transmission. However, the RSN's within the transmission do not have to be consecutive.

061 o Declaration Control Number (DCN) **(SEQ 008)** must be in ascending numerical sequence within the transmission. However, the DCN's within the transmission do not have to be consecutive.

062 o The first two digits of the Declaration Control Number (DCN) **(SEQ 008)** must be zeros.

064 o The Year Digit of Declaration Control Number (DCN) **(SEQ 008)** must be "**1**".

.04 Tax Return Carry-Forward Lines

In general, the amount on the Tax Form (Form 1040 and Form 1040A) must equal the amount carried from the following schedules and forms. Refer to the specific Error Reject Code in Section 11 or Attachment 1 for exceptions and additional conditions pertaining to the Error Reject Code.

Field on the Tax Form:				Field from the Schedule or Form:		
ERC	SEQ#	Identification		Sch/Frm	SEQ#	Identification
076:	380	Taxable Interest	=	Sch B/ Sch 1	290	Taxable Interest
077:	394	Total Ordinary Dividends	=	Sch B/ Sch 1	525	Total Ordinary Dividends
099:	440	Business Income/Loss	=	Sch C	710	Net Profit (Loss) plus
				Sch C-EZ	710	Net Profit
078:	450	Capital Gain/Loss	=	Sch D	**1848**	Combined Net Gain/Loss | or
					1849	Allowable Loss |
081:	470	Other Gain/Loss	=	4797	1030	Redetermined Gain/Loss
079:	510	Rent/Royalty/Part/ Estates/Trusts Inc	=	Sch E	1150	Total Income or Loss or
					2010	Total Supplemental Income (Loss)
140:	520	Farm Income	=	Sch F	680	Net Farm Profit or Loss
457:	577	Housing/Foreign Earned Income Exclusion Amount	=	2555	1260	Max. Housing and Foreign Earned Inc. Exclusions plus
				2555EZ	1260	Max. of Foreign Earned Inc. Exclusion
357:	630	Medical Savings Account Deduction	=	8853	200	Medical Savings Account Deduction
080:	637	Current Year Moving Expenses	=	3903	180	Moving Exp Deduction
195:	640	Self-Employed Deduction Schedule SE	=	Sch SE	165	Deduction for 1/2 of Self Employment Tax
459:	730	Other Adjustment Amount	=	2555	1310	Total Housing Deduction

.04 Tax Return Carry-Forward Lines (continued)

Field on the Tax Form:				Field from the Schedule or Form:		
ERC	SEQ#	Identification		Sch/Frm	SEQ#	Identification
082:	789	Total Itemized or Standard Deduction	=	Sch A	520	Total Deductions
392:	820	Taxable Income	=	Sch J	010	Taxable Income
251:	**820**	**Taxable Income**	**=**	**8615**	**100**	**Child Taxable Income**
261:	857	Form 8814 Amount	=	8814	220	Form 8814 Tax
252:	915	Tax (Form 1040)	=	8615	290	Form 8615 Tax
		or				
	860	Tax (Form 1040A)				
110	**915**	**Tax**	**=**	**Sch J**	**220**	**Subtract Line21 from Line 17**
083:	925	Credit for Child & Dependent Care	=	2441/ Sch 2	330	Credit for Child & Dependent Care
084:	930	Credit for Elderly or Disabled	=	Sch R/ Sch 3	250	Credit
087:	**918**	Alternative Minimum Tax	=	6251	340	Alternative Minimum Tax
086:	1040	Self Employment Tax	=	Sch SE	160	Self-Employment Tax
115:	1080	Social Security & Medicare Tax on Tips	=	4137	200	F1040 Social Security Medicare Tax on Tips
112:	1100	Tax on Retirement Plans	=	5329	078	Total Section 72 Tax on Early Distributions
						plus
					091	Tax on Ed IRA Distrib Not Used for Educ Expenses
						plus
					160	Excess Contributions Tax on Traditional IRA
						plus
					480	Excess Contributions Tax on Roth IRA
						plus
					570	Excess Contribution Tax on Ed IRA
						plus
					660	Excess Contributions Tax on MSA
						plus
					720	Tax on Excess Accumulations

.04 Tax Return Carry-Forward Lines (continued)

	Field on the Tax Form:			Field from the Schedule or Form:		
ERC	SEQ#	Identification		Sch/Frm	SEQ#	Identification
221:	1105	Advanced EIC Payments	=	W-2	200	Advance EIC Payment
236:	1107	Household Employment Taxes	=	Sch H	140	Total Taxes Less Advance EIC Payments plus
					240	FUTA Tax
374:	1186	Additional Child Tax Credit	=	8812	120	Additional Child Tax Credit
426:	1210	Other Payments	=	4136	450	Total Income Tax Credit Amount
136:	1310	ES Penalty Amount	=	2210	240	Underpayment Penalty/ Short Method or
					720	Total Underpayment Penalty or
			=	2210F	180	Underpayment Penalty/ Farmers Fisherman

.04 Tax Return Carry-Forward Lines (continued)

In general, the amounts on the following schedules and forms must be equal. Refer to the specific Error Reject Code in Section 11 or Attachment 1 for exceptions and additional conditions pertaining to the Error Reject Code.

ERC	Sch/Frm	SEQ#	Identification		Sch/Frm	SEQ#	Identification
170:	Sch A	390	Casualty/Theft Loss	=	4684	450	Line 16 Minus Line 17
280:	Sch B/ Sch 1	289	Excludable Savings Bond Interest	=	8815	290	Excludable Savings Bond Interest
186:	Sch C	703	Home Business Expense	=	8829	450	Schedule C Allowable Expenses
250:	Sch D	1870	Investment Capital Gain	=	4952	036	Investment Capital Gain
180: 184:	Sch E	1991	Net Farm Rental Income/Loss	=	4835	610 630	Net Farm Rent Profit and/or Net Farm Rent (Loss)
171:	4797	440	Gain/Loss for Entire Year (Form 4684 Sec B Gain)	=	4684	1120	Loss Equal to or Smaller than Gain
251:	8615	100	Child Taxable Income	=	1040/ 1040A	820	Taxable Income

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Section 11 - Validation - Specific Schedules and Forms

The first seven sub-sections of Section 11 contain Error Reject Codes pertaining to the tax form, organized as follows:

The remaining four sub-sections include Error Reject Codes for the following:

.01 Form 1040, Form 1040A, and Form 1040EZ

004 O Primary SSN (SEQ 010) must be within the valid ranges of SSN/ITIN's and cannot equal an ATIN. It must equal all numeric characters and cannot equal all blanks, zeros, or nines. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

- o Primary SSN (SEQ 010) is a required field.

- o Primary SSN (SEQ 010) of the Tax Form must equal **Taxpayer Identification Number (SEQ 003)** of Tax Return Record Identification Page 1.

- o **Taxpayer Identification Number (SEQ 003)** of Tax Return Record Identification Page 1 must be significant.

006 o Only the following characters are permitted in the Primary Name Control (SEQ 050) and Spouse's Name Control (SEQ 055): alpha, hyphen, and space. The Name Control cannot contain leading or embedded spaces. The left-most position must contain an alpha character.

- o Primary Name Control (SEQ 050) is a required field.

- o Spouse's Name Control (SEQ 055) is a required field when Filing Status (SEQ 130) equals "2" or "3". On Form 1040EZ, Spouse's Name Control (SEQ 055) is a required field when Secondary SSN (SEQ 030) is significant.

- o See Section 7.01 for Name Control format.

007 o Street Address (SEQ 080) is alphanumeric and cannot have leading or consecutive embedded spaces. The left-most position must contain an alpha or numeric character. The only special characters permitted are space, hyphen (-), and slash (/). See Section 7.03 for Street Address format.

o Street Address (SEQ 080) is a required field.

o **Exception: This check is not performed when Address Ind (SEQ 097) is equal to “3”, indicating a foreign address.”)**

016 o Zip Code (SEQ 095) must be within the valid ranges of zip codes listed for the corresponding State Abbreviation (SEQ 087). The zip code cannot end in "00", with the exception of 20500 (the White House zip code). Refer to Attachment 3.

o **Exception: This check is not performed when Address Ind (SEQ 097) is equal to “3”, indicating a foreign address.”)**

020 o Name Line 1 (SEQ 060) cannot have leading or consecutive embedded spaces. The only characters permitted are alpha, space, ampersand (&), hyphen (-), and less-than sign (<). The left-most position must be alpha. The less-than sign replaces the intervening space to identify the primary taxpayer's last name and cannot be preceded by or followed by a space. See Section 7.02 for Name Line 1 format.

o Name Line 1 (SEQ 060) is a required field.

o DO NOT ENTER DECEDENT NAMES IN NAME LINE 1. DECEDENT RETURNS MAY NOT BE FILED ELECTRONICALLY.

021 o Name Line 2 (SEQ 070) is alphanumeric and cannot have leading or consecutive embedded spaces. The only special characters permitted are space, ampersand (&), hyphen (-), slash (/), and percent (%). See Section 7.04 for Name Line 2 format.

022 o State Abbreviation (SEQ 087) must be significant and consistent with the standard state abbreviations issued by the Postal Service. Refer to Attachment 3 for State Abbreviations.

o State Abbreviation (SEQ 087) is a required field.

o **Exception: This check is not performed when Address Ind (SEQ 097) is equal to “3”, indicating a foreign address.”)**

.01 Form 1040, Form 1040A, and Form 1040EZ (continued)

023 o City (SEQ 083) must be left-justified and must contain a minimum of three alpha characters. This field cannot contain consecutive embedded spaces and must contain only alphabetic characters and spaces. Do not abbreviate the city name.

o City (SEQ 083) is a required field.

o **Exception: This check is not performed when Address Ind (SEQ 097) is equal to "3", indicating a foreign address.")**

024 o If **Address** Ind (SEQ 097) equals "1" **(APO/FPO Address)**, then City (SEQ 083) must equal "APO" or "FPO", and State Abbreviation (SEQ 087) must equal "AA", "AE", or "AP" with the appropriate Zip Code (SEQ 095). If State Abbreviation (SEQ 087) equals "AA", "AE", or "AP", then **Address** Ind (SEQ 097) must equal "1". Refer to Attachment 4.

063 o When Filing Status (SEQ 130) equals "2" or "3", both Primary SSN (SEQ 010) and Secondary SSN (SEQ 030) must be numeric. (The Filing Status of Form 1040EZ is considered to be "2" when Secondary SSN (SEQ 030) is significant.)

069 o Form 1040/1040A - When Filing Status (SEQ 130) equals "2", Name Line 1 (SEQ 060) must contain an ampersand (&).

o Form 1040EZ - When Secondary SSN (SEQ 030) is significant, Name Line 1 (SEQ 060) must contain an ampersand (&).

071 o When Secondary SSN (SEQ 030) is significant, it must be within the valid ranges of SSN/ITIN's, cannot equal an ATIN, and cannot equal Primary SSN (SEQ 010). It must equal all numeric characters and cannot equal all zeros or all nines. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

072 o When EIC Eligibility (SEQ 1183) equals "NO", Earned Income Credit (SEQ 1180) cannot be significant.

o Form 1040/1040A - When Schedule EIC is present, Earned Income Credit SEQ (1180) must be significant.

075 o If Earned Income Credit (SEQ 1180) is significant, then at least one of the following must be present for the forms listed below.
Form 1040: Household Help Literal (SEQ 366) and Household Help Amt (SEQ 368); Type of Other Income (SEQ 560) and Amount of Other Income (SEQ 570); Form W-2; Form 1099-R with Distribution Code (SEQ 190) equal to "3"; Schedule C; Schedule C-EZ; Schedule E with Part/S-Corp Ind (SEQ 1172, 1210, 1270, 1330, 1390) equal to "P"; Schedule F.
Form 1040A: Household Help Literal (SEQ 366) and Household Help Amt (SEQ 368); Form W-2; Form 1099-R with Distribution Code (SEQ 190) equal to "3".
Form 1040EZ: Household Help Literal (SEQ 366) and Household Help Amt (SEQ 368); Form W-2.

.01 Form 1040, Form 1040A, and Form 1040EZ (continued)

103 o If Withholding (SEQ 1160) is greater than $500, then at least one of the following must be present for the forms listed below.
Form 1040: Other 1099 Withholding Literal (SEQ 1140); Withholding (SEQ 130) on Form W-2; Withholding (SEQ 160) on Form 1099-R; Withholding (SEQ 050) on Form W2-G.
Form 1040A: Other 1099 Withholding Literal (SEQ 1140); Withholding (SEQ 130) on Form W-2; Withholding (SEQ 160) on Form 1099-R.
Form 1040EZ: Other 1099 Withholding Literal (SEQ 1140); Withholding (SEQ 130) on Form W-2.

Section 11 - Validation - Specific Schedules and Forms

.01 Form 1040, Form 1040A, and Form 1040EZ (continued)

108 o Form 1040/1040A - If Overpaid (SEQ 1260) is greater than zero, then Total Payments (SEQ 1250) must be greater than Total Tax **(SEQ 1138)**.

o Form 1040EZ - If Refund (SEQ 1270) is greater than zero, then Total Payments (SEQ 1250) must be greater than Total Tax (SEQ 1256).

109 o Form 1040/1040A - If Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) is equal to an ITIN, then Earned Income Credit (SEQ 1180) cannot be significant and Schedule EIC cannot be present.

o Form 1040EZ - If Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) is equal to an ITIN, then Earned Income Credit (SEQ 1180) cannot be significant.

126 o If Paid Preparer information (SEQ 1340, 1350, 1360, 1370, 1380, 1390, 1400, 1410, **1420**) is significant, then either Preparer SSN/Preparer TIN (SEQ 1360) or Preparer Firm EIN (SEQ 1380) must be significant.

o If Preparer SSN/Preparer TIN (SEQ 1360) is significant, it must equal all numeric characters and cannot equal all zeros or all nines; or the first position must equal "P" and the last positions must be numeric characters and cannot equal all zeros or all nines.

o If Preparer Firm EIN (SEQ 1380) is significant, it must equal all numeric characters and cannot equal all zeros or all nines.

o When Paid Preparer information (SEQ 1340-14**2**0) is significant, Non-Paid Preparer **(SEQ 1338)** cannot be significant, and vice versa. Refer to Attachment 6 for more information on Non-Paid and Paid Preparers.

146 o When Unemployment Compensation (SEQ 552) is significant, it must be numeric and greater than zero.

.01 Form 1040, Form 1040A, and Form 1040EZ (continued)

166 o If Nontaxable Earned Income Amt (SEQ 1176) is significant, then Nontaxable Earned Income Type (SEQ 1175) must be significant. If Nontaxable Earned Income Type (SEQ 1175) is significant and does not contain a statement reference, then Nontaxable Earned Income Amt (SEQ 1176) must be significant and must equal Total NEI Amt (SEQ 1177).

o If Nontaxable Earned Income Type (SEQ 1175) contains a statement reference, then the total of Nontaxable Earned Income Amt from the related Statement Record must equal Total NEI Amt (SEQ 1177).

177 o If Earned Income Credit (SEQ 1180) is significant and Schedule E is not present, then the total of the following fields cannot exceed **$2400** unless Form 4797 is attached: Taxable Interest (SEQ 380), Tax-Exempt Interest (SEQ 385), Total Ordinary Dividends (SEQ 394) of Form 1040/1040A, and Capital Gain/Loss (SEQ 450) (when greater than zero) of Form 1040. |

192 o At least one of the following fields must be significant for the forms listed below.
Form 1040/1040A: Total Income (SEQ 600), Adjusted Gross Income (SEQ 750), AGI Repeated (SEQ 770), Tax (SEQ 915), Total Credits (SEQ 1020), Total Tax **(SEQ 1138)**, Total Payments (SEQ 1250). |
Form 1040EZ: Adjusted Gross Income (SEQ 750), Taxable Income (SEQ 820), Withholding (SEQ 1160), Total Tax (SEQ 1256), Refund (SEQ 1270), Amount Owed (SEQ 1290).

204 o Form 1040/1040A - If Earned Income Credit (SEQ 1180) is significant and Schedule EIC is not present, then the primary taxpayer and/or the secondary taxpayer must be at least age 25 but not older than age 64.

o Form 1040EZ - If Earned Income Credit (SEQ 1180) is significant, then the primary taxpayer and/or the secondary taxpayer must be at least age 25 but not older than age 64.

259 o When Workfare Payments Literal (SEQ 376) equals "WP", Workfare Payments Amount (SEQ 377) must be significant, and vice versa.

299 o RAL Indicator (SEQ 1465) must equal "Y" or "N".

o RAL Indicator (SEQ 1465) is a required field.

303 o Form 1040/1040A - If Amount Owed (SEQ 1290) is greater than zero and ES Penalty Amount (SEQ 1310) is not significant, then Total Tax **(SEQ 1138)** must be greater than Total Payments (SEQ 1250). |

o Form 1040EZ - If Amount Owed (SEQ 1290) is greater than zero, then Total Tax (SEQ 1256) must be greater than Total Payments (SEQ 1250).

492 o **Reserved** -|

606 o IRS Master File indicates that the taxpayer is not allowed to claim the Earned Income Credit for this tax year.

.01 Form 1040, Form 1040A, and Form 1040EZ (continued)

610 o If Address Ind (SEQ 097) is equal to "3" (indicating a foreign country), then the following fields must be present: Foreign Street Address (SEQ 062), Foreign City, State or Province, Postal Code (SEQ 064), and Foreign Country (SEQ 066); and the following fields cannot be present: Name Line 2 (SEQ 070), Street Address (SEQ 080), City (SEQ 083), State Abbreviation (SEQ 087), and Zip Code (SEQ 095).

If Address Ind (SEQ 097) is not equal to "3", then the following fields cannot be present: Foreign Street Address (SEQ 062), Foreign City, State or Province, Postal Code (SEQ 064), and Foreign Country (SEQ 066).

611 o Foreign Street Address (SEQ 062) is alphanumeric and cannot have leading or consecutive embedded spaces. The only special characters permitted are space, hyphen (-), and slash (/).

612 o Foreign City, State or Province, Postal Code (SEQ 064) is alphanumeric and cannot have leading or consecutive embedded spaces. The left-most position must contain an alpha or numeric character. The only special characters permitted are space, hyphen (-), and slash (/).

613 o Foreign Country (SEQ 066) must be left justified and must contain a minimum of three alpha characters. This field cannot contain consecutive embedded spaces and must contain only alpha characters and spaces. Do not abbreviate the country name.

614 o Earned Income Credit (SEQ 1180) cannot be significant when State Abbreviation (SEQ 087) equals "AS", "GU", "MP", "PR", or "VI", or when Address Ind (SEQ 097) equals "3".

615 o If State Abbreviation (SEQ 087) equals "AS", "GU", "MP", "PR", or "VI", or Address Ind (SEQ 097) equals "3", then the return must be processed at Andover Service Center.

670 o When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) and Jurat/Disclosure Version Ind (SEQ 1319) of the Tax Form, the Primary Date of Birth (SEQ 010) and Taxpayer Signature Date (SEQ 070) of the Authentication Record must be present.

671 o When a Self-Select PIN is present in the Spouse Signature (SEQ 1324), then Primary Taxpayer Signature (SEQ 1321) of the Tax Form and the Spouse Date of Birth (SEQ 040) of the Authentication Record must be present.

.01 Form 1040, Form 1040A, and Form 1040EZ (continued)

672 o When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) or in the Spouse Signature (1324), and Paid Preparer Data is present, then the PIN must be present in the Name of Paid Preparer (SEQ 1340).

For On-Line returns – When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) or in the Spouse Signature (1324), then Paid Preparer Data cannot be present.

675 o When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) or the Spouse Signature (SEQ 1324), the PIN must be five digits and cannot be all zeros.

676 o When a Self-Select PIN is present and the Filing Status (SEQ 130) is “2” (Married Filing Jointly), a Self-Select PIN must be present for both the Primary Taxpayer Signature (SEQ 1321) and the Spouse Signature (SEQ 1324).

If Filing Status is other than (Married Filing Jointly), then the Spouse Signature (SEQ 1324) cannot be present.

683 o When a Self-Select PIN is present, the first six positions of the Name of Paid Preparer (SEQ 1340) must equal the Electronic Filer ID Number (EFIN) in the Declaration Control Number (DCN)(11 digits total).

684 o If Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321), then Paper Document Indicator 1 (SEQ 150), or Paper Document Indicator 2 (SEQ 160), or Paper Document Indicator 3 (SEQ 170), or Paper Document Indicator 4 (SEQ 180) of Summary Record cannot be significant.

770 o If Third Party Authorization “Yes” Box (SEQ 1332) is equal “X”, then Name of Paid Preparer must be significant.

Third Party Authorization “Yes” Box (SEQ 1332) and Third Party Authorization “No” Box (SEQ 1335) cannot both equal “X”.

.02 Direct Deposit Information for Form 1040, Form 1040A, and Form 1040EZ

019 o When Direct Deposit information is present, Routing Transit Number (SEQ 1272) (RTN) must contain nine numeric characters. The first two positions must be 01 through 12, or 21 through 32; the RTN must be present on the Financial Organization Master File (FOMF); and the banking institution must process Electronic Funds Transfer (EFT). See Section 6 for optional Routing Transit Number validation.

o Depositor Account Number (SEQ 1278) must be alphanumeric (i.e., only alpha characters, numeric characters, and hyphens), must be left-justified with trailing blanks if less than 17 positions, and cannot equal all zeros.

o If Routing Transit Number (SEQ 1272) or Depositor Account Number (SEQ 1278) is significant, then Checking Account Indicator (SEQ 1274) or Savings Account Indicator (SEQ 1276) must equal "X". Both cannot equal "X".

105 o When Direct Deposit information is present, the following fields must be significant: Routing Transit Number (SEQ 1272); Checking Account Indicator (SEQ 1274) <u>or</u> Savings Account Indicator (SEQ 1276); Depositor Account Number (SEQ 1278); and RAL Indicator (SEQ 1465).

-|

.03 Form 1040 and Form 1040A

008 o Total Box 6a and 6b (SEQ 167) must equal the number of boxes checked for Exempt Self (SEQ 160) and Exempt Spouse (SEQ 163).

o Filing Status (SEQ 130) is a required field.

011 o When Exempt Self (SEQ 160) equals "X", Total Exemptions (SEQ 360) must be greater than zero.

012 o If Overpaid (SEQ 1260) is significant and ES Penalty Amount (SEQ 1310) is greater than Overpaid, then Amount Owed (SEQ 1290) must be significant. If Overpaid (SEQ 1260) is significant and ES Penalty Amount (SEQ 1310) is not greater than Overpaid, then Amount Owed (SEQ 1290) cannot be significant.

037 o The number of Dependent Name Controls (SEQ 172, 182, 192, 202, 212, 222, or in the related Statement Record), must equal the total of the following fields: Number of Children Who Lived with You (SEQ 240), Number of Children Not Living with You (SEQ 247), and Number of Other Dependents Listed (SEQ 350).

040 o **Reserved** -|

041 o Dependent entries must start on Line 1 of the dependent information. No lines may be skipped when completing the dependent information.

043 o When Filing Status (SEQ 130) equals "4", at least one of the following fields must be significant:
Qualifying Name for H of Household (SEQ 150) and SSN for Qual Name (SEQ 153);
Number of Children Who Lived with You (SEQ 240);
Number of Other Dependents Listed (SEQ 350).

o When Qualifying Name for H of Household (SEQ 150) is significant, SSN for Qual Name (SEQ 153) must be significant and within the valid ranges of SSN/ITIN/ATIN's and cannot equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030). Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

065 o When Exempt Spouse Ind (SEQ 163) equals "X", Filing Status (SEQ 130) must equal "2".

.03 Form 1040 and Form 1040A (continued)

066 o If any field of the following "dependent group" is significant, then all fields in that group must be significant: Dependent First Name, Dependent Last Name, Dependent Name Control, Dependent's SSN, and Relationship. (See Part II Record Layouts for Field Numbers.)

o Dependent Name Control (SEQ 172, 182, 192, 202, 212, 222) must be in the correct format. See Section 7.01 for Name Control format.

067 o Dependent First Name (SEQ 170, 180, 190, 200, 210, 220) and Dependent Last Name (SEQ 171, 181, 191, 201, 211, 221) must contain only alpha characters and spaces. A space cannot be in the first position of either Dependent First Name or Dependent Last Name.

068 o When Dependent's SSN (SEQ 175, 185, 195, 205, 215, 225) is significant, it must be within the valid ranges of SSN/ITIN/ATIN's and cannot equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) or another Dependent's SSN. It must equal all numeric characters and cannot equal all zeros or all nines. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

073 o Form 1040/1040A - When Year Spouse Died (SEQ 155) is significant, it must equal "**1998**" or "**1999**" (i.e., one of the two years prior to the tax year of the return) and Filing Status (SEQ 130) must equal "5". |

o When Filing Status (SEQ 130) equals "5", Number of Children Who Lived with You (SEQ 240) must be significant.

076 o If Taxable Interest (SEQ 380) is greater than $400, or if Taxable Interest (SEQ 290) of Schedule B/Schedule 1 is significant, then Taxable Interest (SEQ 380) of Form 1040/1040A must equal Taxable Interest (SEQ 290) from Schedule B/Schedule 1.

077 o If Total Ordinary Dividends (SEQ 394) is greater than $400, or if Total Ordinary Dividends (SEQ 525) of Schedule B/Schedule 1 is significant, then Total Ordinary Dividends (SEQ 394) of Form 1040/1040A must equal Total Ordinary Dividends (SEQ 525) from Schedule B/Schedule 1.

083 o Credit for Child & Dependent Care (SEQ 925) must equal Credit for Child & Dependent Care (SEQ 330) from Form 2441/Schedule 2.

.03 Form 1040 and Form 1040A (continued)

084 o Credit for Elderly or Disabled (SEQ 930) must equal Credit (SEQ 250) from Schedule R/Schedule 3.

088 o Overpaid (SEQ 1260) must equal the total of the following fields: Refund (SEQ 1270), Applied to ES Tax (SEQ 1280), and ES Penalty Amt (SEQ 1310).

111 o When Must Itemize Indicator (SEQ 786) equals "X", Filing Status (SEQ 130) must equal "3".

114 o If Taxable Amount of Social Security (SEQ 557) is significant, then Social Security Benefits (SEQ 553) must be significant.

116 o If Total Payments (SEQ 1250) is not equal to Total Tax **(SEQ 1138)**, then at least one of the following fields must be significant: Overpaid (SEQ 1260), Refund (SEQ 1270), Applied to ES Tax (SEQ 1280), Amount Owed (SEQ 1290).

119 o If Filing Status (SEQ 130) equals "3", then State Abbreviation (SEQ 087) cannot equal any of the following states: AZ (Arizona), CA (California), ID (Idaho), LA (Louisiana), NM (New Mexico), NV (Nevada), TX (Texas), WA (Washington), and WI (Wisconsin).

o Exception: If Filing Status equals "3" and **Address Ind** (SEQ 097) equals "2" (Stateside Military Address), then the State Abbreviation (SEQ 087) may equal one of the Community Property states listed above.

120 o Reserved

121 o Pensions Annuities Received (SEQ 485) cannot equal Taxable Pensions Amount (SEQ 495).

127 o If Total Payments (SEQ 1250) is greater than Total Tax **(SEQ 1138)**, and the total of Applied to ES Tax (SEQ 1280) plus ES Penalty Amount (SEQ 1310) is equal to Overpaid (SEQ 1260), then Refund (SEQ 1270) cannot be significant.

128 o If Total Payments (SEQ 1250) is greater than Total Tax **(SEQ 1138)**, and the total of Applied to ES Tax (SEQ 1280) plus ES Penalty Amount (SEQ 1310) is less than Overpaid (SEQ 1260), then Refund (SEQ 1270) must be greater than zero.

.03 Form 1040 and Form 1040A (continued)

129 o If Total Payments (SEQ 1250) equals Total Tax **(SEQ 1138)**, then the following fields cannot be significant: Overpaid (SEQ 1260), Refund (SEQ 1270), and Applied to ES Tax (SEQ 1280).

130 o If Total Itemized or Standard Deduction (SEQ 789) contains one of the following amounts: **$4525, 5375, 5500, 6600, 7550, 8200, 8650, 9050, 9900, or 10750**; and **Modified Standard Deduction Ind (SEQ 787) of Form 1040 is blank;** then at least one of following fields must equal "X": Self 65 or Over Box (SEQ 772), Self Blind Box (SEQ 774), Spouse 65 or Over Box (SEQ 776), Spouse Blind Box (SEQ 778).

Exception for Form 1040: This check is not performed when Schedule A is present.

131 o If Number of Children Not Living with You (SEQ 247) is significant, then at least one Relationship (SEQ 177, 187, 197, 207, 217, 227) must equal "CHILD", "DAUGHTER", "GRANDCHILD", or "SON".

134 o Form 1040 - If Exempt Self (SEQ 160) equals "X", and Must Itemize Indicator (SEQ 786), and **Modified Standard Deduction Ind (SEQ 787)** and Itemize Election Ind (SEQ 788) are blank, and Schedule A is not present; then Total Itemized or Standard Deduction (SEQ 789) must equal a valid standard deduction.

o Form 1040A – If Exempt Self (SEQ 160) equals "X", and Must Itemize Indicator (SEQ 786) **and Modified Standard Deduction Ind (SEQ 787)** are blank; then Total Itemized or Standard Deduction (SEQ 789) must equal a valid standard deduction.

136 o Form 1040 - If Form 2210 or Form 2210F is present, then ES Penalty Amount (SEQ 1310) of Form 1040 must equal Underpayment Penalty/Short Method (SEQ 240) or Total Underpayment Penalty (SEQ 720) from Form 2210, or Underpayment Penalty/Farmers Fishermen (SEQ 180) from Form 2210F.

o Form 1040A - If Form 2210 is present, then ES Penalty Amount (SEQ 1310) of Form 1040A must equal Underpayment Penalty/Short Method (SEQ 240) or Total Underpayment Penalty (SEQ 720) from Form 2210.

138 o Total Exemptions (SEQ 360) must equal the total of the following fields: Total Box 6a and 6b (SEQ 167); Number of Children Who Lived with You (SEQ 240); Number of Children Not Living with You (SEQ 247); and Number of Other Dependents Listed (SEQ 350).

.03 Form 1040 and Form 1040A (continued)

158 o If Credit for Elderly or Disabled (SEQ 930) is significant, and Self 65 or Over Box (SEQ 772) and Spouse 65 or Over Box (SEQ 776) are blank, then one of the following fields from Schedule R/Schedule 3 must be significant: Retire/Disabled (SEQ 020); Both Under 65, One Retired (SEQ 040); Both Under 65, Both Retired (SEQ 050); Under 65, Did Not Live with Spouse (SEQ 090).

188 o When Filing Status (SEQ 130) equals "3", Earned Income Credit (SEQ 1180) cannot be significant.

191 o Form 1040 - Total Credits (SEQ 1020) must equal the total of the following fields: Credit for Child & Dependent Care (SEQ 925), Credit for Elderly or Disabled (SEQ 930), Child Tax Credit (SEQ 940), Education Credits **(SEQ 935)**, Adoption Credit (SEQ 960), Foreign Tax Credit **(SEQ 922)**, Other Credits (SEQ 1015) and Nonconventional Source Fuel Credit Amount (SEQ 1018).

o Form 1040A - Total Credits (SEQ 1020) must equal the total of the following fields: Credit for Child & Dependent Care (SEQ 925), Credit for Elderly or Disabled (SEQ 930), Child Tax Credit **(SEQ 955)**, Education Credits (SEQ 950), and Adoption Credit (SEQ 960).

198 o Form 1040 - Total Payments (SEQ 1250) must equal the total of the following fields: Withholding (SEQ 1160), ES Payments (SEQ 1170), Earned Income Credit (SEQ 1180), Additional Child Tax Credit (SEQ 1186), F4868 Amount (SEQ 1190), Excess SS Tax **(SEQ 1184)**, and Other Payments (SEQ 1210).

o Form 1040A – Total Payments (SEQ 1250) must equal the total of the following fields: Withholding (SEQ 1160), ES Payments (SEQ 1170), Earned Income Credit (SEQ 1180), Additional Child Tax Credit (SEQ 1186), F4868 Amount (SEQ 1190), and Excess SS Tax (SEQ 1200).

200 o When Earned Income Credit (SEQ 1180) is greater than $**353**, Schedule EIC must be present.

221 o Advanced EIC Payments (SEQ 1105) must equal the total of Advance EIC Payment (SEQ 200) from Form(s) W-2.

243 o Form 1040 - If Schedule A is not present and Must Itemize Indicator (SEQ 786) equals "X" or Itemized Election Ind (SEQ 788) equals "IE", then Total Itemized or Standard Deduction (SEQ 789) must equal zero.

o Form 1040A - If Must Itemize Indicator (SEQ 786) equals "X", then Total Itemized or Standard Deduction (SEQ 789) must equal zero.

252 o When Form 8615 is present, Tax (SEQ 915) of Form 1040 or Tax (SEQ 860) of Form 1040A must equal Form 8615 Tax (SEQ 290) from Form 8615.

.03 Form 1040 and Form 1040A (continued)

281 o When Filing Status (SEQ 130) equals "3", Form 8815 cannot be present.

370 o When any occurrence of Eligibility for Child Tax Credit (SEQ 178, 188, 198, 208, 218, 228) is significant, the corresponding Relationship (SEQ 177, 187, 197, 207, 217, 227) must equal either CHILD, SON, DAUGHTER, GRANDCHILD, or FOSTERCHILD and the Dependent's age must be under 17.

372 o When Child Tax Credit (SEQ 940/**SEQ 955**) is significant, at least one Eligibility for Child Tax Credit (SEQ 178, 188, 198, 208, 218, 228) must equal "X". |

373 o When Additional Child Tax Credit (SEQ 1186) is significant, at least three Eligibility for Child Tax Credit (SEQ 178, 188, 198, 208, 218, 228) must equal "X" and Form 8812 must be present.

o When Form 8812 is present, Additional Child Tax Credit (SEQ 1186) must be significant and at least three Eligibility for Child Tax Credit (SEQ 178, 188, 198, 208, 218, 228) must equal "X".

374 o When Form 8812 is present, Additional Child Tax Credit (SEQ 1186) of Form 1040/1040A must equal Additional Child Tax Credit (SEQ 120) from Form 8812.

382 o If Education Credits (**SEQ 935/**SEQ 950) is significant, Form 8863 must be present. If Form 8863 is present, Education Credits (**SEQ 935/**SEQ 950) must be significant. |

384 o When the filing status is "Married Filing Joint" and Education Credits (**SEQ 935/**SEQ 950) is significant, the Adjusted Gross Income (SEQ 750) must be less than $100,000. When the filing status is "Single" or "Head of Household" and Education Credits (**SEQ 935/**SEQ 950) is significant, the Adjusted Gross Income (SEQ 750) must be less than $50,000. |

386 o When Adjusted Gross Income (SEQ 750) plus Student Loan Interest Deduction (SEQ 628) is more than $75,000 for "Married Filing Joint" or is more than $55,000 for "Single" or "Head of Household" or "Qualifying Widow(er)", the Student Loan Interest Deduction (SEQ 628) is not allowed.

387 o Form 1040/1040A - The Education Credits cannot exceed $2500.

388 o When Student Loan Interest Deduction (SEQ 628) is significant, the filing status cannot equal "Married Filing Separately".

389 o Student Loan Interest Deduction (SEQ 628) must not exceed $ **2000**. |

486 o When Adoption Credit (SEQ 960) is significant, Form 8839 must be present.

.04 Form 1040

070 o If Other Adjustments Literal (SEQ 720) equals "JURY PAY", then at least one Type of Other Income (SEQ 560) must equal "JURY PAY".

078 o Capital Gain/Loss (SEQ 450) must equal one of the following fields from Schedule D: Combined Net Gain/Loss **(SEQ 1848)** or Allowable Loss **(SEQ 1849)**.

079 o Rent/Royalty/Part/Estates/Trusts Inc (SEQ 510) must equal Total Income or Loss (SEQ 1150) or Total Supplemental Income (Loss) (SEQ 2010) from Schedule E.

080 o Current Year Moving Expenses (SEQ 637) must equal Moving Exp Deduction (SEQ 180) from Form(s) 3903.

081 o If F4684 Literal (SEQ 460) is not significant, then Other Gain/Loss (SEQ 470) of Form 1040 must equal Redetermined Gain/Loss (SEQ 1030) from Form 4797.

082 o If Schedule A is present, then Total Itemized or Standard Deduction (SEQ 789) of Form 1040 must equal Total Deductions (SEQ 520) from Schedule A.

086 o If Exempt/Form 4361 Box (SEQ 025) of Schedule(s) SE and Exempt SE Tax Indicator (SEQ 1035) of Form 1040 are blank, then Self Employment Tax (SEQ 1040) of Form 1040 must equal Self-Employment Tax (SEQ 160) from Schedule(s) SE.

087 o Alternative Minimum Tax **(SEQ 918)** must equal Alternative Minimum Tax (SEQ 340) from Form 6251.

089 o When Total Alimony Paid (SEQ 697) is significant, Recip Soc Sec No. (SEQ 693) must be significant, and vice versa.

o When Recip Soc Sec No. (SEQ 693) is significant, it must be within the valid ranges of SSN/ITIN's, cannot equal an ATIN, and cannot equal Primary SSN (SEQ 010). Refer to Attachment 8 for valid ranges of Social Security/Tax Identification Numbers.

097 o When Capital Distribution Box (SEQ 447) equals to “X”, Capital Gain/Loss (SEQ 450) must be significant, Schedule D must not be present.

When Capital Distribution Box (SEQ 447) is not equal to “X” and Capital Gain/Loss (SEQ 450) is significant, Schedule D must be present.

099 o Business Income/Loss (SEQ 440) must equal the total of Net Profit (Loss) (SEQ 710) from Schedule(s) C plus Net Profit (SEQ 710) from Schedule(s) C-EZ.

110 o If both Schedule D and Schedule J are present, then Tax (SEQ 915) of Form 1040 must equal Subtract Line 21 from Line 17 (SEQ 220) of Schedule J.

.04 Form 1040 (continued)

112 o Form 1040 - When Retirement Tax Plan Literal (SEQ 1095) is blank, Tax on Retirement Plans (SEQ 1100) must equal the total of the following fields from Form(s) 5329: Total Section 72 Tax on Early Distributions (SEQ 078), Tax on Ed IRA Distrib Not Used for Educ Expenses (SEQ 091), Excess Contributions Tax on Traditional IRA (SEQ 160), Excess Contributions Tax on Roth IRA (SEQ 480), Excess Contribution Tax on Ed IRA (SEQ 570), Excess Contributions Tax on MSA (SEQ 660), and Tax on Excess Accumulations (SEQ 720).

o When Retirement Tax Plan Literal (SEQ 1095) equals "NO", Form 5329 does not have to be present, but Tax on Retirement Plans (SEQ 1100) of Form 1040 must be significant and Distribution Code (SEQ 190) of Form 1099-R must equal "1".

115 o If Railroad Retire Indicator (SEQ 1070) is blank, then Social Security & Medicare Tax on Tips (SEQ 1080) of Form 1040 must equal F1040 Social Security Medicare Tax on Tips (SEQ 200) from Form(s) 4137.

132 o When Capital Distribution Box (SEQ 447) equals to “X”, Capital Gain/Loss (SEQ 450) must contain a positive amount.

135 o When F4684 Literal (SEQ 460) equals "F4684", Form 4684 must be present.

140 o Farm Income (SEQ 520) must equal Net Farm Profit or Loss (SEQ 680) from Schedule(s) F.

150 o When F4255 Literal (SEQ 1121) and F4255 Amount (SEQ 1122) are significant, Form 4255 must be present and Total Increase Tax (SEQ 530) of Form 4255 must be significant.

o When Form 4255 is present, F4255 Literal (SEQ 1121) and F4255 Amount (SEQ 1122) of Form 1040 must be significant.

165 o If Self-Employed Deduction Schedule SE (SEQ 640) of Form 1040 is significant, then Schedule SE must be present. If Schedule SE is present and Exempt-Notary Literal (SEQ 050) of Schedule SE is not significant, then Self-Employed Deduction Schedule SE (SEQ 640) of Form 1040 must be significant.

.04 Form 1040 (continued)

175 o When Other Adjustment Amount (SEQ 730) or Total Other Adjustments (SEQ 735) is significant, Total Adjustments (SEQ 740) must be significant.

178 o When Other Form Block (SEQ 1006) equals "X", **one of the following forms must be present: Form 3468, Form 5884, Form 6478, Form 6765, Form 8586, Form 8820, Form 8826, Form 8830, Form 8835, Form 8845, Form 8846, Form 8847, Form 8859, Form 8861.** |

179 o When Nonconventional Source Fuel Credit Literal (SEQ 1017) is significant, Nonconventional Source Fuel Credit Amount (SEQ 1018) must be significant and vice versa.

When Nonconventional Source Fuel Credit Amount (SEQ 1018) is significant, then Nonconventional Source Fuel Credit (SEQ 1025) must contain "STMbnn". |

189 o If Total Adjustments (SEQ 740) is significant, then at least one of the following fields must be significant: SEQ 626, 628, 630, 637, 640, 645, 650, 680, 697, 730, 735.

196 o When Social Security & Medicare Tax on Tips (SEQ 1080) is significant, Form 4137 must be present.

o When F1040 Social Security Medicare Tax on Tips (SEQ 200) of Form 4137(s) is significant, Social Security & Medicare Tax on Tips (SEQ 1080) of Form 1040 must be significant.

236 o Household Employment Taxes (SEQ 1107) must equal the total of the following fields from Schedule(s) H: Total Taxes Less Advance EIC Payments (SEQ 140) plus FUTA Tax (SEQ 240).

245 o When Form 8396 Block (SEQ 1004) equals "X", Form 8396 must be present.

Form 1040 - When **Form 3800 Block (SEQ 1003)** equals "X", **Form 3800** must be present. |

260 o When Form 8814 is present, Form 8814 Block (SEQ 853) of Form 1040 must equal "X" and Form 8814 Amount (SEQ 857) of Form 1040 must be significant. When Form 8814 Block (SEQ 853) equals "X", Form 8814 must be present and Form 8814 Amount (SEQ 857) must be significant.

263 o If Form 1040 Other Income (SEQ 200) of Form 8814 is significant, then Type of Other Income (SEQ 560) of Form 1040 must equal "FORM 8814" and Total Other Income (SEQ 590) of Form 1040 must be significant.

270 o When Form 4972 Block (SEQ 880) equals "X", Form 4972 must be present.

.04 Form 1040 (continued)

277 o When Other Tax Literal (SEQ 1110) equals "ADT", Form 4970 must be present, and vice versa.

285 o If schedule D is present **and no Schedule J is present**, and Tax (SEQ 2236) of Schedule D is significant, then Tax (SEQ 915) of Form 1040 must equal or be greater than Tax (SEQ 2236) of Schedule D. |

287 o When F8828 Literal (SEQ 1123) equals "FMSR", Form 8828 must be present.

o When F8828 Amount (SEQ 1124) is significant, Recapture Tax Due (SEQ 280) of Form 8828 must be significant, and vice versa.

357 o Medical Savings Account Deduction (SEQ 630) must equal Medical Savings Account Deduction (SEQ 200) from Form 8853, when either field is significant.

358 o When Medical Savings Account Deduction (SEQ 630) is significant, Form 8853 must be present.

360 o If Type of Other Income (SEQ 560) equals "MSA" and the corresponding Amount of Other Income (SEQ 570) is present, then Form 8853 must be present.

o If Taxable MSA Distributions (SEQ 250) of Form 8853 is significant, then Type of Other Income (SEQ 560) of Form 1040 must equal "MSA" and the corresponding Amount of Other Income (SEQ 570) of Form 1040 must be present.

361 o If Other Tax Literal (SEQ 1110) equals "MSA" and the corresponding Other Tax Amount (SEQ 1120) is present, then Form 8853 must be present.

o If Total Taxable MSA Distributions (SEQ 270) of Form 8853 is significant, then Other Tax Literal (SEQ 1110) of Form 1040 must equal "MSA" and the corresponding Other Tax Amount (SEQ 1120) of Form 1040 must be present.

364 o If Type of Other Income (SEQ 560) equals "LTC" and the corresponding Amount of Other Income (SEQ 570) is present, then Form 8853 must be present.

o If Taxable Payments (SEQ 450) of Form 8853 is greater than zero, then Type of Other Income (SEQ 560) must equal "LTC" and the corresponding Amount of Other Income (SEQ 570) must be present.

420 o When Form 4136 Block (SEQ 1205) is equal to "X", Other Payments (SEQ 1210) must be significant, and vice versa.

421 o **Reserved** -|

426 o Other Payments (SEQ 1210) must equal Total Income Tax Credit Amount (SEQ 450) from Form 4136, when either field is significant.

.04 Form 1040 (continued)

454 o Earned Income Credit (SEQ 1180) cannot be significant when Form 2555 or Form 2555EZ is present.

456 o When Housing/Foreign Earned Income Exclusion Literal (SEQ 574) equals "FORM 2555", Form 2555 must be present.

o When Housing/Foreign Earned Income Exclusion Literal (SEQ 574) equals "FORM 2555-EZ", Form 2555EZ must be present.

457 o The absolute value of Housing/Foreign Earned Income Exclusion Amount (SEQ 577) must equal the total of the following fields: Max. of Housing and Foreign Earned Inc. Exclusions (SEQ 1260) from Form 2555(s) plus Max. of Foreign Earned Inc. Exclusion (SEQ 1260) from Form(s) 2555EZ.

458 o When Other Adjustments Literal (SEQ 720) equals "FORM 2555", Form 2555 must be present.

459 o If Other Adjustments Literal (SEQ 720) equals "FORM 2555", then Other Adjustment Amount (SEQ 730) must equal Total Housing Deduction (SEQ 1310) from Form(s) 2555.

666 o If Form 8801 Block (SEQ 1005) is equal to “X”, then Form 8801 must be present.

721 o When Other Form Literal (SEQ 1010) equals “8834”, Form 8834 must be present.

When Other Form Literal (SEQ 1010) equals “8844”, Form 8844 must be present.

When Other Form Literal (SEQ 1010) equals “8859”, Form 8859 must be present.

722 o When Other Credits (SEQ 1015) is significant, at least one of the following forms must be present: Form 3800, Form 8396, Form 8801, Form 3468, Form 5884, Form 6478, Form 6765, Form 8586, Form 8820, Form 8826, Form 8830, Form 8834, Form 8835, Form 8844, Form 8845, Form 8846, Form 8847, Form 8859, or Form 8861.

.05 Form 1040A

038 o Taxable Income (SEQ 820) must be less than $50000 and only the following can be present: Schedule 1, Schedule 2, Schedule 3, Schedule EIC, Form W-2, Form 1099-R, Form 2210, **Form 8379**, Form 8615, Form 8812, Form 8815, Form 8839, Form 8862, Form 8863, Form 9465, **Authentication Record**, **Preparer Note Record, Election Explanation Record, Regulatory Explanation Record** and Form Payment.

.06 Form 1040EZ

039 o Form 1040EZ - Primary taxpayer (and secondary taxpayer when Secondary SSN (SEQ 030) is significant) must be under age 65, Taxable Interest (SEQ 380) cannot exceed $400, Taxable Income (SEQ 820) must be less than $50000, and only the following can be present: Form W-2, **Form 8379,** Form 8862, Form 9465, **Authentication Record**, **Preparer Note Record, Election Explanation Record, Regulatory Explanation Record** and Form Payment.

159 o If Dependent No-Ind (SEQ 785) equals "X", then Combined Standard Deduction and Personal Exemption (SEQ 815) must equal $**7200** when Secondary SSN (SEQ 030) is not significant, and must equal $**12950** when Secondary SSN (SEQ 030) is significant.

o If Dependent Yes-Ind (SEQ 784) equals "X", then Combined Standard Deduction and Personal Exemption (SEQ 815) cannot exceed $**4400** when Secondary SSN (SEQ 030) is not significant, and cannot exceed **$10150** when Secondary SSN (SEQ 030) is significant.

161 o Dependent Yes-Ind (SEQ 784) and Dependent No-Ind (SEQ 785) cannot both equal "X" and cannot both equal blank.

162 o Earned Income Credit (SEQ 1180) cannot exceed **$354** and Adjusted Gross Income (SEQ 750) must be less than **$10380**.

o When Dependent Yes-Ind (SEQ 784) equals "X", Earned Income Credit (SEQ 1180) cannot be significant.

194 o If Taxable Interest (SEQ 380) is not significant, then Adjusted Gross Income (SEQ 750) must equal the total of Wages, Salaries, Tips (SEQ 375) plus Unemployment Compensation (SEQ 552).

Section 11 - Validation - Specific Schedules and Forms

.07 Error Reject Codes for Schedules

1. Schedule A

015 o The following literal values cannot be present in Other Expenses Type (SEQ 420, 432) or in Other Expense Type (SEQ 475): "CASUALTY", "CHILD CARE", "CHILD-CARE", "CHILDCARE", "DEPENDENT CARE", "MEDICAL", "THEFT".

113 o When Non-Cash/Check Contribution (SEQ 360) is greater than $500, Form 8283 must be present.

170 o Casualty/Theft Loss (SEQ 390) must equal Line 16 Minus Line 17 (SEQ 450) from Form 4684, when either field is significant.

197 o When Other Expense Amount (SEQ 485) is significant, Total Other Expenses Limit (SEQ 495) must be significant.

2. Schedule B and Schedule 1

280 o When Excludable Savings Bond Interest (SEQ 289) is significant, Form 8815 must be present. Excludable Savings Bond Interest (SEQ 289) of Schedule B/Schedule 1 must equal Excludable Savings Bond Interest (SEQ 290) from Form 8815.

3. Schedule C

098 o Gross Receipts Less Returns Allowances (SEQ 220) must equal Gross Receipts/Sales (SEQ 200) minus Returns/Allowances (SEQ 210).

100 o When Net Profit (Loss) (SEQ 710) is less than zero and Some Is Not At Risk (SEQ 730) equals "X", Form 6198 must be present.

117 o At least one of the following fields must be significant: Gross Receipts/Sales (SEQ 200), Gross Income (SEQ 270), Total Expenses (SEQ 700), Tentative Profit/Loss (SEQ 702), Net Profit (Loss) (SEQ 710).

149 o When Other Clos Inv Method (SEQ 744) equals "X", Other Meth Explanation (SEQ 746) must equal "STMbnn".

183 o If Car/Truck Expenses (SEQ 293) is significant, then Vehicle Service Date (SEQ 820) and Business Miles (SEQ 830) must be significant, or Form 4562 must be present.

187 o Employer ID Number (SEQ 060) cannot equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

.07 Error Reject Codes for Schedules (continued)

4. Schedule C-EZ

036 o Only one Schedule C-EZ is allowed for the Primary SSN and one for the Secondary SSN (a total of two Schedules C-EZ per tax return when Filing Status (SEQ 130) equals "2"). When a taxpayer files Schedule C-EZ, no Schedule C is allowed for that taxpayer. See Section 4.02.2.a for instructions for multiple occurrences of Schedules C/C-EZ.

240 o Total Expenses (SEQ 700) cannot be greater than $2500 and Net Profit (SEQ 710) cannot be less than zero.

241 o At least one of the following fields must be significant: Gross Receipts/Sales (SEQ 200), Total Expenses (SEQ 700), Net Profit (SEQ 710).

242 o Employer ID Number (SEQ 060) cannot equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

5. Schedule D

250 o When Investment Capital Gain (SEQ 1870) is significant, Form 4952 must be present. Investment Capital Gain (SEQ 1870) of Schedule D must equal Investment Capital Gain (SEQ 036) from Form 4952.

6. Schedule E

102 o If Some is Not At Risk (SEQ 1180, 1238, 1298, 1358, 1418) equals "X" on any Schedule E, and the corresponding Part/S-Corp Nonpassive Sch K-1 Loss (SEQ 1192, 1253, 1313, 1373, 1433) is significant, then Form 6198 must be present.

106 o If more than one Schedule E is present, only the first occurrence of Schedule E can contain entries in the following fields: SEQ 125, 155, 380, 1000, 1040, 1110, 1120, 1150, **1445, 1455, 1475, 1485, 1495,** 1750, 1755, 1765, **1913, 1917, 1923, 1927,** 1933, 1937, **1939, 1943,** 1945, 1977, 1991, 2010, and 2020.

169 o At least one of the following fields must be significant on the first occurrence of Schedule E: Total Rents Received (SEQ 125); Total Royalties Rec'd (SEQ 155); Rental & Royalty Deduction (SEQ 1000); Total Income (SEQ 1110); Total Losses (SEQ 1120); Part/S-Corp Name A (SEQ 1170); Tot Part/S-Corp Income (SEQ 1750); Tot Part/S-Corp Loss and Sec 179 Deduction (SEQ 1755); Tot Estate/Trust Inc (SEQ 1933); Tot Estate/Trust Loss (SEQ 1937); Total REMIC Income (SEQ 1977); Net Farm Rental Income/Loss (SEQ 1991); Farming/Fishing Share (SEQ 2020); Net Rental Real Estate Income/Loss (SEQ 2030).

.07 Error Reject Codes for Schedules (continued)

184 o Schedule E - If Net Farm Rental Income/Loss (SEQ 1991) on the first occurrence of Schedule E is present, then Form 4835 must be present.

o When one Form 4835 is present, Net Farm Rental Income/Loss (SEQ 1991) of Schedule E must equal one of the following fields from Form 4835: Net Farm Rent Profit (SEQ 610) or Net Farm Rent (Loss) (SEQ 630).

o When **multiple** Forms 4835 are present, Net Farm Rental Income/Loss (SEQ 1991) of Schedule E must equal the sum of the following from Forms 4835: Net Farm Rent Profit (SEQ 610) (when greater than zero) minus Net Farm Rent (Loss) (SEQ 630). |

o Note: Net Farm Rent (Loss) (SEQ 630) of Form 4835 is assumed to be a loss; the minus sign is not transmitted.

286 o When Non Passive Activity Literal (SEQ 1130) is present, Non Passive Activity Amount (SEQ 1140) must be present, and vice versa.

7. Schedule EIC

201 o Schedule EIC - If any field of the following "qualifying child group" is significant, then all fields in that group must be significant: Qualifying Child Name Control (SEQ 007, 077); Qualifying Child First Name (SEQ 010, 080); Qualifying Child Last Name (SEQ 011, 081); Year of Birth (SEQ 020, 090); Qualifying SSN **(SEQ 015, 085)**; Relationship (SEQ 060, 130); and Number of Months (SEQ 070, 140). |

o Qualifying Child Name Control (SEQ 007, 077) must be in the correct format. See Section 7.01 for Name Control format.

202 o Year of Birth (SEQ 020, 090) cannot be greater than current tax year.

203 o Relationship (SEQ 060, 130) must equal one of the following: "CHILD", "DAUGHTER", "FOSTERCHILD", "GRANDCHILD", or "SON".

205 o Schedule EIC - When Qualifying SSN **(SEQ 015, SEQ 085)** is significant, it must be within the valid ranges of SSN's. It must equal all numeric characters and cannot equal all zeros or all nines. Refer to Attachment 8 for valid ranges of Social Security Numbers. |

206 o If Year of Birth (SEQ 020, 090) is greater than "**1976**" and less than "**1982**", then the corresponding Student "Yes" Box (SEQ 030, 100) or the corresponding Disabled "Yes" Box (SEQ 040, 110) must equal "X". |

.07 Error Reject Codes for Schedules (continued)

207 o If Relationship (SEQ 060, 130) equals "CHILD", "DAUGHTER", "GRANDCHILD", or "SON" and Year of Birth (SEQ 020, 090) does not equal "**2000**"", then Number of Months (SEQ 070, 140) must be equal to or greater than "07". |

o If Relationship (SEQ 060, 130) does not equal one of the above literal values and Year of Birth (SEQ 020, 090) does not equal "**2000**", then Number of Months (SEQ 070, 140) must equal "12". |

216 o Qualifying SSN - 1 **(SEQ 015)** cannot equal Qualifying SSN - 2 **(SEQ 085)**. Qualifying SSN - 1 and - 2 (SEQ 050, 120) cannot equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040/1040A. |

217 o When Year of Birth (SEQ 020, 090) is less than "**1977**", the corresponding Disabled "Yes" Box (SEQ 040, 110) must equal "X". |

218 o When Year of Birth (SEQ 020, 090) equals "**2000**", the corresponding Number of Months (SEQ 070, 140) must equal "12". |

222 o If Qualifying SSN - 1 **(SEQ 015)** is significant and Qualifying SSN - 2 **(SEQ 085)** is not significant, then Earned Income Credit (SEQ 1180) of Form 1040/1040A cannot exceed **$2353** and Adjusted Gross Income (SEQ 750) of Form 1040/1040A must be less than **$27413**. |

o If Qualifying SSN - 1 **(SEQ 015)** and Qualifying SSN - 2 **(SEQ 085)** are significant, then Earned Income Credit (SEQ 1180) of Form 1040/1040A cannot exceed **$3888** and Adjusted Gross Income (SEQ 750) of Form 1040/1040A must be less than **$31150**. |

476 o The following fields cannot equal “X”: Disabled “No” Box – 1 (SEQ 045) or Disabled “No” Box – 2 (SEQ 115).

8. Schedule F

141 o At least one of the following fields must be significant: Gross Income Amount (SEQ 280), Total Expenses (SEQ 650), Net Farm Profit or Loss (SEQ 680).

142 o Accounting Method Cash Indicator (SEQ 050) or Accounting Method Accrual Indicator (SEQ 060) must equal "X". Both indicators cannot equal "X".

143 o Materially Participate Yes Indicator (SEQ 100) and Materially Participate No Indicator (SEQ 110) cannot both equal "X" and cannot both equal blank.

182 o When Net Farm Profit or Loss (SEQ 680) is less than zero and Some Is Not at Risk Indicator (SEQ 700) equals "X", Form 6198 must be present.

.07 Error Reject Codes for Schedules (continued)

9. Schedule H

208 o Cash Wages Over $1100 Paid Yearly - Yes (SEQ 040) and Cash Wages Over **$1200** Paid Yearly - No (SEQ 045) cannot both equal "X" and cannot both equal blank.

209 o Employer SSN (SEQ 020) on the first Schedule H must be significant and equal to Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

210 o Employer SSN (SEQ 020) on the second Schedule H must be significant and equal to Secondary SSN (SEQ 030) of Form 1040 and must not be equal to Employer SSN (SEQ 020) on the first Schedule H. When both spouses are filing Schedule H, the Schedule H for the primary taxpayer must precede the Schedule H for the secondary taxpayer.

211 o Employer Identification Number (SEQ 030) cannot equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

212 o Name of State Where Unemplymnt Cntrbtns Paid (SEQ 200) must equal a standard state abbreviation. Refer to Attachment 3 for Standard Postal Service State Abbreviations.

213 o Employer SSN (SEQ 020) and Employer Identification Number (SEQ 030) must be significant, must equal all numeric characters, and cannot equal all blanks or all zeros.

214 o When two Schedules H are present, Employer Identification Number (SEQ 030) of the second Schedule H cannot equal Employer Identification Number of the first Schedule H.

215 o Federal Income Tax Withheld - Yes (SEQ 050) and Federal Income Tax Withheld - No (SEQ 055) cannot both equal "X".

o Cash Wage Over $1000 Paid Qtrly - No (SEQ 060) and Cash Wage Over $1000 Paid Qtrly - Yes (SEQ 065) cannot both equal "X".

o Cash Wages Over $1000 Paid Qtrly - No (SEQ 150) and Cash Wages Over $1000 Paid Qtrly - Yes (SEQ 155) cannot both equal "X".

219 o Page 2 must be present when all of the following fields equal "X": Cash Wage Over $1100 Paid Yearly - No (SEQ 045), Federal Income Tax Withheld - No (SEQ 055), and Cash Wage Over **$1200** Paid Qtrly - Yes (SEQ 065).

220 o When all of the following fields equal "X", Schedule H cannot be filed: Cash Wage Over **$1200** Paid Yearly - No (SEQ 045), Federal Income Tax Withheld - No (SEQ 055), and Cash Wage Over $1000 Paid Qtrly - No (SEQ 060).

.07 Error Reject Codes for Schedules (continued)

223 o When Federal Income Tax Withheld - Yes (SEQ 050) equals "X", Federal Income Tax Withheld (SEQ 110) must be significant.

224 o If Cash Wage Over **$1200** Paid Yearly - No (SEQ 045) and Federal Income Tax Withheld - Yes (SEQ 050) equal "X", then Cash Wage Over $1000 Paid Qtrly - No (SEQ 060) and Cash Wage Over $1000 Paid Qtrly - Yes (SEQ 065) must be blank.

225 o When Cash Wage Over **$1200** Paid Yearly - Yes (SEQ 040) equals "X", Social Security Wages (SEQ 070) and Medicare Wages (SEQ 090) must each be equal to or greater than **$1200**.

226 o When Cash Wage Over **$1200** Paid Yearly - Yes (SEQ 040) equals "X", the following fields must be blank: Federal Income Tax Withheld - Yes (SEQ 050), Federal Income Tax Withheld - No (SEQ 055), Cash Wage Over $1000 Paid Qtrly - No (SEQ 060), and Cash Wage Over $1000 Paid Qtrly - Yes (SEQ 065).

227 o When Page 2 of Schedule H is present, Cash Wages Over $1000 Paid Qtrly - No (SEQ 150) cannot equal "X".

o When Page 2 is not present, Cash Wages Over $1000 Paid Qtrly - Yes (SEQ 155) cannot equal "X".

228 o Social Security Wages (SEQ 070) cannot be greater than Medicare Wages (SEQ 090).

229 o When Page 2 of Schedule H is present, Total Taxes from Line 8 (SEQ 520) must equal Total Taxes Less Advance EIC Payments (SEQ 140) from Page 1.

235 o When Page 2 of Schedule H is present, Total Taxable Wages for FUTA (Section A) (SEQ 230) must be significant.

10. Schedule J

390 o Amount from Line 6 (SEQ 100) must equal One-third Elected Farm Income (SEQ 060).

o One-third Elected Farm Income (SEQ 140) must equal One-third Elected Farm Income (SEQ 060).

391 o The following fields must contain an amount greater than or equal to zero: SEQ 040, SEQ 050, SEQ 060, SEQ 070, SEQ 080, SEQ 090, SEQ 110, SEQ 120, SEQ 130, SEQ 150, SEQ 160, SEQ 180, SEQ 190, SEQ 200, and SEQ 210.

392 o Taxable Income (SEQ 010) must equal Taxable Income (SEQ 820) of Form 1040.

393 o When Add Lines 4,8,12,and 16 (SEQ 170) is greater than zero, then one of the following fields must be greater than zero : Tax on Line 3 (SEQ 040) or Tax on Line 7 (SEQ 080) or Tax on Line 11 (SEQ 120) or Tax on Line 15 (SEQ 160).

.07 Error Reject Codes for Schedules (continued)

11. Schedule R and Schedule 3

085 o Taxable Disability (SEQ 150) must be significant when one of the following fields equals "X": Retire/Disabled (SEQ 020); Both Under 65, One Retired (SEQ 040); Both Under 65, Both Retired (SEQ 050); One Over 65, Other Retired (SEQ 060); Under 65, Did Not Live With Spouse (SEQ 090).

133 o If Nontaxable SSB/RRB (SEQ 163) or Nontaxable Other (SEQ 167) is significant, then Pensions & Annuities (SEQ 170) must be significant.

163 o One of the following fields must be significant: SEQ 010, 020, 030, 040, 050, 060, 070, 080, 090.

12. Schedule SE

046 o SSN of Self-Employed (SEQ 020) on the first Schedule SE must be significant and equal to Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

047 o SSN of Self-Employed (SEQ 020) on the second Schedule SE must be significant and equal to Secondary SSN (SEQ 030) of Form 1040 and must not be equal to SSN of Self-Employed (SEQ 020) on the first Schedule SE. When both spouses are filing Schedule SE, the Schedule SE for the primary taxpayer must precede the Schedule SE for the secondary taxpayer.

107 o If SST Wages/RRT Comp (SEQ 088) or Unreported Tips (SEQ 090) is significant, then Total Wages/Unreported Tips (SEQ 100) must be significant.

195 o When Self-Employment Tax (SEQ 160) is significant, Deduction for 1/2 of Self Employment Tax (SEQ 165) must be significant, and vice versa.

o If Self-Employed Deduction Schedule SE (SEQ 640) of Form 1040 is significant, it must equal Deduction for 1/2 of Self Employment Tax (SEQ 165) from Schedule(s) SE. If Deduction for 1/2 of Self Employment Tax (SEQ 165) of Schedule SE is significant, and Exempt-Notary Literal (SEQ 050) is not significant, then Self-Employed Deduction Schedule SE (SEQ 640) of Form 1040 must be significant.

.08 Error Reject Codes for Forms

1. Form W-2

122 o Employer Identification Number (SEQ 040) must be numeric, the first two digits of Employer Identification Number (SEQ 040) must equal a valid District Office Code, Employer Name Control (SEQ 045) must be significant, and W-2 Indicator (SEQ 510) must equal "N" or "S". Refer to Attachment 7 for District Office Codes. See Section 7.05 for Business Name Control format.

o Note: The value "N" (Non-Standard) indicates that the Form W-2 was altered, handwritten, or typed, or that a cumulative Earnings Statement or a substitute Form W-2 was used. The value "S" (Standard) identifies a Form W-2 that is a computer-produced print, an IRS form, or an IRS-approved facsimile.

123 o The following fields must be significant: Employer Name (SEQ 050), Employer Address (SEQ 060), Employee Name (SEQ 090), Employee Address (SEQ 100); Employee City (SEQ 110), Employee State (SEQ 113), Employee Zip Code (SEQ 115), and Wages (SEQ 120).

o Exception: The check for Wages (SEQ 120) is bypassed when Combat Pay has been excluded from Wages.

139 o Employee SSN (SEQ 080) must equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of the Tax Form.

289 o When Advance EIC Payment (SEQ 200) is significant, taxpayer cannot file Form 1040EZ.

290 o Employer State (SEQ 073) and Employer Zip Code (SEQ 075) must be significant and valid. Employer Zip Code (SEQ 075) must be consistent with Employer State (SEQ 073).

o Exception: This check is not performed when Employer State (SEQ 073) contains a period (.), indicating a foreign address. See Section 7.06 for foreign address format.

291 o Employer City (SEQ 070) must contain at least three characters.

295 o Neither Withholding (SEQ 130) nor Social Security Tax (SEQ 150) of the combined W-2s can be greater than 1/2 (50%) of Wages (SEQ 120).
Exception: This check is bypassed when Combat Pay has been excluded from Wages.

616 o Form W2 – When Employee Address Continuation (SEQ 105) is significant, then a period (.) must be present in Employee State (SEQ 113).

2. Form W-2G

124 o The following fields must be significant: Payer Name Control (SEQ 015), Payer Name (SEQ 020), and Payer Identification Number (SEQ 026).

295 o Form W-2G – Withholding (SEQ 050) cannot be greater than 1/2 (50%) of Gross Winnings, etc. (SEQ 040).

616 o Form W2G – When Winner's Address Continuation (SEQ 143) is significant, then a period (.) must be present in Winners'State (SEQ 146).

3. Form 1099-R

125 o The following fields must be significant: Payer Name Control (SEQ 015), Payer Name (SEQ 020), and Payer Identification Number (SEQ 050).

295 o Form 1099-R - Withholding (SEQ 160) cannot be greater than 1/2 (50%) of Gross Distribution (SEQ 110).

295 o For each occurrence of Form 1099-R, Withholding (SEQ 160) cannot be greater than 1/2 (50%) of Gross Distribution (SEQ 110).

616 o Form 1099R – When Recipient's Address Continuation (SEQ 080) is significant, then a period (.) must be present in Recipient's State (SEQ 092).

4. Form 1116

230 o When only one Form 1116 is present, Tentative Foreign Tax Credit (SEQ 1180) must equal Gross Foreign Tax Credit (SEQ 1090), and the following fields must be blank: Alt. Min. Tax Literal (SEQ 010) and SEQ 1100, 1110, 1120, 1130, 1140, 1150, 1160, and 1170.

231 o If more than one Form 1116 is present, then only the first occurrence of Form 1116 can have significant data in **Foreign Tax Credit (SEQ 1200). For subsequent occurrences of Form 1116, significant data can be present in Foreign Tax Credit (SEQ 1200) only when Alt. Min. Tax Literal (SEQ 010) of that occurrence is equal to "AMT".**

232 o On each Form 1116, only one of the following fields can equal "X": SEQ 020, 030, 040, 050, 060, 070, 080, 090.

o When more than one Form 1116 is present, the same box (SEQ 020 through 090) cannot equal "X" on more than one Form 1116.

o Exception: The same box (SEQ 020 through 090) can equal "X" on two Forms 1116 if Alt. Min. Tax Literal (SEQ 010) is significant on one of the two Forms 1116.

5. Form 2106 and Form 2106-EZ

048 o SSN of Taxpayer with Employee Business Expense **(SEQ 009)** on the first Form 2106/**Form 2106EZ** must be significant and equal to Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

049 o SSN of Taxpayer with Employee Business Expense **(SEQ 009)** on the second Form 2106/**Form 2106EZ** must be significant and equal to Secondary SSN (SEQ 030) of Form 1040 and must not be equal to SSN of Taxpayer with Employee Business Expense **(SEQ 009)** on the first Form 2106/**Form 2106EZ**. When both spouses are filing Form 2106/**Form 2106EZ**, the Form 2106/**Form 2106EZ** for the primary taxpayer must precede the Form 2106/**Form 2106EZ** for the secondary taxpayer.

6. Form 2210 and Form 2210F

148 o Form 2210 - When Waiver Box (SEQ 020) equals "X", either Waiver Explanation/Short Method (SEQ 237) or Waiver Explanation (SEQ 717) must equal "STMbnn".

o Form 2210F - When Waiver of Penalty Box (SEQ 013) equals "X", Waiver Explanation (SEQ 177) must equal "STMbnn".

7. Form 2441 and Schedule 2

074 o Qualifying Person SSN (SEQ 214, 223) cannot equal another Qualifying Person SSN on the same Form 2441/Schedule 2 or in the related Statement Record.

090 o When Form 2441/Schedule 2 is present, at least one of the following fields must be significant:

- Dependent Care Benefits Literal (SEQ 371) of Form 1040/1040A;
- Dependent Care Benefits (SEQ 210) of Form W-2;
- Credit for Child & Dependent Care (SEQ 330) of Form 2441/Schedule 2

or if Form 1040/1040A (SEQ 915/860) is not significant, then the credit for Child Care (SEQ 330) of Form 2441/Schedule 2 must be zero.

298 o Form 2441/Schedule 2 - When Qualifying Person SSN (SEQ 214, 223) is significant, it must be within the valid ranges of SSN/ITIN/ATIN's. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

095 o If Total Qualified Expenses or Limit (SEQ 230), or Credit for Child & Dependent Care (SEQ 330), or Net Allowable Amount (SEQ 460) is greater than zero, then Qualifying Person SSN - 1 (SEQ 214) must be significant. The Qualifying Person information on Line 2 is not required when Prior Year Expense Literal (SEQ 318), Prior Year Qualifying Person Name (SEQ 324), and Prior Year Qualifying Person SSN (SEQ 326) are present and there are no current year expenses.

o If Credit for Child & Dependent Care (SEQ 330) is significant, and Total Qualified Expenses or Limit (SEQ 230) or Net Allowable Amount (SEQ 460) is greater than zero, then Primary Earned Income (SEQ 260) (and Spouse's Earned Income (SEQ 270) when Filing Status (SEQ 130) of Form 1040/1040A equals "2") must be significant.

137 o When SSN/EIN 1 or 2 (SEQ 040, 090) is significant, the corresponding Amount Paid 1 or 2 (SEQ 050, 100) must be significant.

296 o If any field of the following "qualifying person group" is significant, then all fields in that group must be significant: Qualifying Person First Name (SEQ 110, 217); Qualifying Person Last Name (SEQ 115, 218); Qualifying Person Name Control (SEQ 120, 221); and Qualifying Person SSN (SEQ 214, 223).

298 o When Qualifying Person SSN (SEQ 214, 223) is significant, it must be within the valid ranges of SSN/ITIN/ ATIN's. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

8. Form 2555 and Form 2555EZ

406 o **An "out of service center" District Office (DO) is permitted when State Data is present; or when Processing Site equals "C" (Andover) and at least one of the following is present:** Form 2555, Form 2555-EZ, an **Address Ind (SEQ 097) of the Tax Form equal to "3"; a State Abbreviation (SEQ 087) of the Tax Form equal to "AS", "GU", "MP", "PR", or "VI".**

452 o Form 2555/2555EZ - When only one Form 2555/2555EZ is present, Taxpayer SSN (SEQ 007) must equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

o When two Forms 2555/2555EZ are present, Taxpayer SSN (SEQ 007) of the first Form 2555/2555EZ must equal Primary SSN (SEQ 010) of Form 1040 and Taxpayer SSN (SEQ 007) of the second Form 2555/2555EZ must equal Secondary SSN (SEQ 030) of Form 1040. One occurrence of either Form 2555 or Form 2555EZ can be present for the Primary SSN (SEQ 010). One occurrence of either Form 2555 or Form 2555EZ can be present for the Secondary SSN (SEQ 030).

453 o Form 2555EZ - Total Foreign Earned Income (SEQ 1210) cannot exceed $**76,000**.

455 o Form 2555 - Foreign Earned Income Exclusion (SEQ 1220) cannot exceed Foreign Earned Income (SEQ 1050). Foreign Earned Income Repeated (SEQ 1070) must equal Foreign Earned Income (SEQ 1050).

o Form 2555EZ - Max. Of Foreign Earned Inc. Exclusion (SEQ 1260) cannot exceed Total Foreign Earned Income (SEQ 1210).

460 o Form 2555/Form 2555EZ - Taxpayers must qualify for the Foreign Exclusion under the Bona Fide Residence or Physical Presence test. Both tests will be verified prior to the return being accepted. This Error Reject Code will be set in any case where the taxpayer did not qualify under either of the tests.

o Form 2555 - When the taxpayer is qualifying under Bona Fide Residence: When Date Bona Fide Residence Ended (SEQ 225) is equal to 1231 of the current tax year or is equal to "CONTINUE", then Date Bona Fide Residence Began (SEQ 220) must equal 0101 of the current tax year or must be prior to the current tax year
Or
When Date Bona Fide Residence Ended (SEQ 225) is prior to 1231 of the current tax year (i.e., 1031**2000**), then Date Bona Fide Residence Began (SEQ 220) must equal 0101 of the previous tax year or earlier than the previous tax year (i.e., 0101199**9**).

o Form 2555 - When the taxpayer is qualifying under Physical Presence: The difference, in number of days, between Physical Presence Test From (SEQ 530) and Physical Presence Test Through (SEQ 540) minus the total of Number of Days in US on Business - 1 through - 4 (SEQ 610, 670, 730, 790) must be at least 330 days.

o Form 2555EZ - When the taxpayer is qualifying under Bona Fide Residence: When Date Bona Fide Residence Ended (SEQ 040) is equal to 1231 of the current tax year or is equal to "CONTINUE", then Date Bona Fide Residence Began (SEQ 030) must equal 0101 of the current tax year or must be prior to the current tax year
Or
When Date Bona Fide Residence Ended (SEQ 040) is prior to 1231 of the current tax year (i.e., 1031**2000**), then Date Bona Fide Residence Began (SEQ 030) must equal 0101 of the previous tax year or earlier than the previous tax year (i.e., 0101199**9**).

o Form 2555EZ - When the taxpayer is qualifying under Physical Presence: The difference, in number of days, between Physical Presence Test From (SEQ 070) and Physical Presence Test Through (SEQ 080) minus the total of Number of Days in US on Business - 1 through - 9 (SEQ 310, 350, 390, 430, 470, 510, 550, 590, 630) must be at least 330 days.

461 o Form 2555 - Statement to Authorities - Yes (SEQ 300) and Req'd to Pay Income Tax - No (SEQ 330) cannot both be significant.

462 o Form 2555 - If No Travel Statement (SEQ 560) is significant, then the following fields cannot be significant: Country Name (SEQ 570), Arrival Date (SEQ 580), Departure Date (SEQ 590), Full Days in Country (SEQ 600), Number of Days in US on Business (SEQ 610), and Income Earned in the US on Business (SEQ 620).

463 o Form 2555 - Foreign Address (SEQ 010) must be significant. Post of Duty (SEQ 015) must be significant and equal to a valid Post of Duty code.

o Form 2555EZ - Foreign Address (SEQ 110) must be significant. Post of Duty (SEQ 115) must be significant and equal to a valid Post of Duty code.

o Refer to Attachment 9 for Post of Duty Codes.

464 o Form 2555 - If Separate Foreign Residence - Yes (SEQ 170) is significant, then Yes - City & Country of Foreign Residence (SEQ 190) and Number of Days at That Address (SEQ 200) must be significant.

465 o Form 2555 - Housing Exclusion (SEQ 1140) cannot be greater than Employer-Provided Amounts (SEQ 1120).

466 o Form 2555 - Total Housing and Foreign Earned Income Exclusions (SEQ 1230) must equal the total of Housing Exclusion (SEQ 1140) plus Foreign Earned Income Exclusion (SEQ 1220).

467 o Form 2555EZ - If Bona Fide Residence - Yes (SEQ 010) is significant, then Date Bona Fide Residence Began (SEQ 030) and Date Bona Fide Residence Ended (SEQ 040) must be significant.

468 o Form 2555EZ - If Physically Present - Yes (SEQ 050) is significant, then Physical Presence Test From (SEQ 070) and Physical Presence Test Through (SEQ 080) must be significant.

469 o Form 2555EZ - Tax Home Test - Yes (SEQ 090) must be significant.

470 o Form 2555EZ - For each of the following, only one box can equal "X":
Bona Fide Residence - Yes (SEQ 010) or Bona Fide Residence - No (SEQ 020);
Physically Present - Yes (SEQ 050) or Physically Present - No (SEQ 060);
Revoked Exclusions - Yes (SEQ 220) or Revoked Exclusions - No (SEQ 230).

471 o Form 2555 - Part II or Part III must be present, but not both.

472 o Form 2555/2555EZ – Must be processed at the Andover Service Center. |

9. Form 3468 |

723 o If Certified Historic Structures (SEQ 050) or Calculated Expenditures Certified Historic Struct. (SEQ 060) is present, Historic Structure Certification on File (SEQ 045) must equal “Y”. |

724 o If Tentative Minimum Tax (SEQ 330) is significant, then Form 6251 must be present. |

10. Form 3800

720 o When any two or more of the following forms are present, Form 3800 must be present: Form 3468, Form 5884, Form 6478, Form 6765, Form 8586, Form 8820, Form 8826, Form 8830, Form 8835, Form 8845, Form 8846, Form 8847 or Form 8861.

725 o If Current Year Investment Credit (SEQ 020) is significant, then Form 3468 must be present.

726 o If Current Year Work Opportunity Credit (SEQ 030) is significant, then Form 5884 must be present.

727 o If Current Year Welfare to Work Credit (SEQ 040) is significant, then Form 8861 must be present.

728 o If Current Year Credit for Alcohol Used As Fuel (SEQ 050) is significant, then Form 6478 must be present.

729 o If Current Year Credit for Increasing Research (SEQ 060) is significant, then Form 6765 must be present.

730 o If Current Year Low-Income Housing Credit (SEQ 070) is significant, then Form 8586 must be present.

731 o If Current Year Enhanced Oil Recovery Credit (SEQ 080) is significant, then Form 8830 must be present.

732 o If Current Year Disabled Access Credit (SEQ 090) is significant, then Form 8826 must be present.

733 o If Current Year Renewable Electricity Production (SEQ 100) is significant, then Form 8835 must be present.

734 o If Current Year Indian Employment Credit (SEQ 110) is significant , then Form 8845 must be present.

735 o If Current Year Credit for Employer Social Security (SEQ 120) is significant, then Form 8846 must be present.

736 o If Current Year Orphan Drug Credit (SEQ 130) is significant, then Form 8820 must be present.

737 o If Current Year Credit for Contributions (SEQ 140) is significant, then Form 8847 must be present.

738 o If Current Year Trans-Alaska Pipeline Credit (SEQ 150) is significant, then Current Yr Trans-Alaska Pipeline Attach Statement (SEQ 145) must equal “STMbnn”.

739 o If Passive Activity Credits (SEQ 180) is significant, then Passive Activity Credits (SEQ 180) must not be greater than Current Year General Business Credit (SEQ 170).

740 o If Subtract Line 3 from Line 2 (SEQ 190) is significant, then Subtract Line 3 from Line 2 (SEQ 190) must not be less than zero.

741 o If Passive Activity Credits Allowed(SEQ 200) is significant, then Form 8582-CR must be present.

o If Passive Activity Credits Allowed(SEQ 200) is significant, then Passive Activity Credits Allowed(SEQ 200) must not be greater than Current Year General Business Credit (SEQ 170).

742 o If Tentative Minimum Tax (SEQ 400) is significant, then, Form 6251 must be present.

743 o The following fields must be positive: SEQs 020, 030, 050, 060, 070, 080, 090, 100, 110, 120, 130, 140, 150, 160, 180, 200, and 210.

11. Form 3903

o Only Field Format validations apply.

12. Form 4136

422 o When any of the "amount of credit" fields is greater than zero, then at least one of the associated "gallons" fields must be significant. For example:

- o When Nontaxable Use of Gasoline Credit Amount (SEQ 050) is greater than zero, at least one of the following must be significant: SEQ 010, 020, 039, or 049.
- o When Nontaxable Use of Gasohol Credit Amount (SEQ 120) is greater than zero, at least one of the following must be significant: SEQ 070, 090, or 110.
- o When Nontaxable Use of Aviation Gas Tax Credit Amt (SEQ 144) is greater than zero, then at least one of the following must be significant: SEQ 126, 138, or 143.
- o When Nontaxable Use of Diesel Fuel/Kerosene Credit Amt (SEQ 178) is greater than zero, then at least one of the following must be significant: SEQ 162 or 174.
- o When Non Taxable of Train Use Credit Amt (SEQ 188) is greater than zero, then Diesel Fuel/Kerosene Train Use Gallons (SEQ 186) must be significant.
- o When Certain Intercity and Local Bus Use Credit Amt (SEQ 202) is greater than zero, then Certain Intercity and Local Bus Use Gallons (SEQ 196) must be significant.
- o When Nontaxable Use of Aviation Fuel Tax Credit Amt (SEQ 248) is greater than zero, then at least one of the following must be significant: SEQ 208, 218, or 242.
- o When Sales by Vendors of Undyed Diesel Credit Amount (SEQ 294) is greater than zero, then at least one of the following must be significant: SEQ 286 or 292.
- o When Sales by Vendors of Undyed Kerosene Credit Amount (SEQ 329) is greater than zero, then at least one of the following must be significant: SEQ 309, 314, or 322.
- o When Use of LPG in Certain Buses Credit Amount (SEQ 346) is greater than zero, then at least one of the following must be significant: SEQ 336 or 342.
- o When Gasohol Blenders Tax Credit Amount (SEQ 390) is greater than zero, then at least one of the following must be significant: SEQ 363, 373, or 383.

423 o If Evidence of Dyed Diesel Fuel/Kerosene Exception Box (SEQ 152) equals "X", Evidence of Dyed Diesel Fuel/Kerosene Explanation (SEQ 146) must equal "STMbnn" and vice versa.

424 o If Evidence of Dyed Diesel Fuel Exception Box (SEQ 278) equals "X", then the Evidence of Dyed Diesel Fuel Explanation **(SEQ 277)** must equal "STMbnn" and the Undyed Diesel Fuel UV Registration No **(SEQ 276)** must be significant.

If Evidence of Dyed Diesel Fuel Explanation (SEQ 277) equal "STMbnn", then the Evidence of Dyed Diesel Fuel Exception Box (SEQ 278) must equal "X", and the Undyed Diesel Fuel UV Registration No (SEQ 276) must be significant.

If Evidence of Dyed Kerosene Exception Box (SEQ 302) equals "X", then Evidence of Dyed Kerosene Explanation (SEQ 299) must equal "STMbnn" and at least one of the following must be significant: Undyed Kerosene UV Registration No (SEQ 297), or Undyed Kerosene UP Registration No (SEQ 298).

If Evidence of Dyed Kerosene Explanation (SEQ 299) equals "STMbnn", then Evidence of Dyed Kerosene Exception Box (SEQ 302) must equal "X", and at least one of the following must be significant: Undyed Kerosene UV Registration No (SEQ 297) or Undyed Kerosene UP Registration No (SEQ 298).

Note: For Error Code 424 only; when both an Explanation and the Exception Box are met, then there must be a Registration Number.

425 o If Total Income Tax Credit Amount (SEQ 450) is significant, then at least one of the "credit amounts" (SEQ 050, 120, 144, 178, 188, 202, 248, 294, 329, 346, 390) must be significant.

427 o When any of the "gallons" fields is greater than zero, then the associated "type of use" field must be significant. For example:

o When Nontaxable Use of Gasoline Gallons (SEQ 039 or 049) is greater than zero, then Nontaxable Use of Gasoline Type (SEQ 031 or 041) must be significant.

o When Gasohol 10% Alcohol Gallons (SEQ 070) is greater than zero, then Gasohol 10% Alcohol Type (SEQ 060) must be significant.

When Gasohol 7.7% Alcohol Gallons (SEQ 090) is greater than zero, then Gasohol 7.7% Alcohol Type (SEQ 080) must be significant.

o

When Gasohol 5.7% Alcohol Gallons (SEQ 110) is greater than zero, then Gasohol 5.7% Alcohol Type (SEQ 100) must be significant.

o When Nontaxable Use of Aviation Gasoline Gallons (SEQ 138 or 143) is greater than zero, then Nontaxable Use of Aviation Gasoline Type (SEQ 132 or 139) must be significant.

o When Nontaxable Use of Diesel Fuel Gallons (SEQ 162) is greater than zero, then Nontaxable Use of Diesel Fuel Type (SEQ 156) must be significant.

o When Nontaxable Use of Diesel Kerosene Gallons (SEQ 174) is greater than zero, then Nontaxable Use of Diesel Kerosene Type (SEQ 166) must be significant.

o When Nontaxable Use of Aviation Fuel Gallons (SEQ 218 or 242) is greater than zero, then Nontaxable Use of Aviation Fuel Type (SEQ 212 or 232) must be significant.

446 o When Undyed Diesel Fuel UV Registration No **(SEQ 276)** is present, then Use of Undyed Diesel for Farming Purpose Gallons (SEQ 286) or Use of Undyed Diesel by State or Local Gov Gallons (SEQ 292) must be present, and vice versa.

447 o When Undyed Kerosene UV Registration No (SEQ 297) is present, then Use of Undyed Kerosene for Farming Purpose Gallons (SEQ 309) or Use of Undyed Kero by State or Local Gov Gallons (SEQ 314) must be present, and vice versa.

o When Other Sales of Undyed Kerosene Gallons (SEQ 322) is present, then Undyed Kerosene UP Registration No (SEQ 298) must be present and vice versa.

13. Form 4137

017 o Tip Income Name (SEQ 010) and Tip Income SSN (SEQ 020) must be significant.

054 o Tip Income SSN (SEQ 020) on the first Form 4137 must equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

059 o Tip Income SSN (SEQ 020) on the second Form 4137 must equal Secondary SSN (SEQ 030) of Form 1040 and must not be equal to Tip Income SSN (SEQ 020) on the first Form 4137. When both spouses are filing Form 4137, the Form 4137 for the primary taxpayer must precede the Form 4137 for the secondary taxpayer.

14. Form 4255

o Only Field Format validations apply.

15. Form 4562

o Only Field Format validations apply.

16. Form 4684

174 o When Line 16 minus Line 17 (SEQ 450) is significant, Line 13 more than Line 14 (SEQ 430) must be significant.

17. Form 4797

171 o When Form 4684 is present, Gain/Loss for Entire Year (Form 4684 Sec B Gain) (SEQ 440) of Form 4797 must equal Loss Equal to or Smaller than Gain (SEQ 1120) from Form 4684.

667 o If Form 4797 is present and Gain/Loss (Form 8824 Sec 1231) (SEQ 456) or Form 8824 Ordinary Gain/Loss for Entire Yr (SEQ 974) is significant, then Form 8824 must be present.

18. Form 4835

180 o When one Form 4835 is present, Net Farm Rental Income/Loss (SEQ 1991) of Schedule E must equal one of the following fields from Form 4835: Net Farm Rent Profit (SEQ 610) or Net Farm Rent (Loss) (SEQ 630).

o When **multiple** Forms 4835 are present, Net Farm Rental Income/Loss (SEQ 1991) of Schedule E must equal the sum of the following from Forms 4835: Net Farm Rent Profit (SEQ 610) (when greater than zero) minus Net Farm Rent (Loss) (SEQ 630).

o Note: Net Farm Rent (Loss) (SEQ 630) of Form 4835 is assumed to be a loss; the minus sign is not transmitted.

181 o If Some is Not at Risk (SEQ 620) equals "X" on one or both Form(s) 4835, then Form 6198 or Form 8582 must be present.

19. Form 4952

101 o At least one of the following fields must be greater than zero: Investment Interest Expense (SEQ 010), Carryover Disallowed Interest Expense (SEQ 020), Investment Interest Expense Deduction (SEQ 060).

20. Form 4970

278 o Accumulation Dist. Attributable Tax (SEQ 670) must be significant.

21. Form 4972

271 o None of the following fields can equal "X": Distribution of Qualified Plan No Box (SEQ 026), Rollover Yes Box (SEQ 030), Prior Yr Distribution Yes Box (SEQ 190), and Beneficiary Distribution Yes Box (SEQ 201).

o All of the following fields must equal "X": Distribution of Qualified Plan Yes Box (SEQ 024), Rollover No Box (SEQ 040), and Prior Yr Distribution No Box (SEQ 200).

272 o Only one of the following fields can equal "X": Beneficiary of Qual Participant No Box (SEQ 044) or Qual Age - Five Yr Member No Box (SEQ 086).

275 o At least one of the following fields must be significant: Capital Gain Election (SEQ 220), Ordinary Income (SEQ 240), 10 Yr Method Average Tax (SEQ 690).

276 o Recipient SSN (SEQ 020) from the second Form 4972 cannot equal Recipient SSN (SEQ 020) of the first Form 4972.

279 o For each of the following, one box must equal "X", but both cannot equal "X":
Beneficiary of Qual Participant Yes Box (SEQ 042)/Beneficiary of Qual Participant No Box (SEQ 044);
Qual Age - Five Yr Member Yes Box (SEQ 084)/Qual Age - Five Yr Member No Box (SEQ 086).

22. Form 5329

018 o Name of Person Subject to Penalty Tax (SEQ 010) and SSN of Person Subject to Penalty Tax (SEQ 020) must be significant.

057 o SSN of Person Subject to Penalty Tax (SEQ 020) on the first Form 5329 must be significant and equal to Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040.

058 o SSN of Person Subject to Penalty Tax (SEQ 020) on the second Form 5329 must be significant and equal to Secondary SSN (SEQ 030) of Form 1040 and must not be equal to SSN of Person Subject to Penalty Tax (SEQ 020) on the first Form 5329. When both spouses are filing Form 5329, the Form 5329 for the primary taxpayer must precede the Form 5329 for the secondary taxpayer.

118 o Name of Person Subject to Penalty Tax (SEQ 010) must contain a less-than sign immediately preceding the last name. If the name includes a suffix, another less-than sign is entered between the last name and the suffix. Allowable characters are: Alpha, hyphen (-), less-than (<), and space.

o The following cannot be present: Two or more consecutive embedded spaces, a space or less-than sign in the first position, a less-than sign in the last position, more than two less-than signs, a space preceding or following a less-than sign.

23. Form 5884

744 o If Tentative Minimum Tax (SEQ 280) is significant, then Form 6251 must be present.

24. Form 6198

o Only Field Format validations apply.

25. Form 6251

246-249 **Reserved**

26. Form 6252

094 o If Line 24 Minus Line 25 (SEQ 290) or Line 35 Minus Line 36 (SEQ 460) is significant, then Schedule D or Form 4797 must be present.

27. Form 6478

745 o Qualified Ethanol Fuel Production (020) cannot be greater than 15000000 (fifteen million).

746 o If Tentative Minimum Tax (SEQ 400) is significant, then Form 6251 must be present.

28. Form 6765

747 o Fixed-base Percentage (SEQ 100) cannot be greater than 16% (016000).

748 o If Subtract Line 2 from Line 1 – Sect. A (SEQ 040), Subtract Line 11 from Line 8 (SEQ 130), Subtract line 18 from Line 17 (SEQ 220), Subtract Line 27 from Line 25 (SEQ 310), Subtract Line 29 from Line 25 (SEQ 330) Subtract Line 30 from Line 28 (SEQ 340), Subtract Line 32 from Line 25 (360), and Subtract Line 33 from line 30 (SEQ 370) cannot be less than zero.

749 o If Tentative Minimum Tax (SEQ 700) is significant, then Form 6251 must be present.

29. Form 6781

700 o When Mixed Straddle Account Election Box (SEQ 040) equals "X", Statement Required by Regulations (SEQ 050) must equal " STMbnn".

701 o When Form 1099-B Adjustments (SEQ 200) is significant, Form 1099-B Adjustment Schedule (SEQ 190) must contain " STMbnn".

30. Form 8271

430 o If any one of the following Investor group items is significant, then all must be significant: Investor's Name **(SEQ 009)**, Investor's Identifying Number **(SEQ 010)**, Investor's Tax year Ended **(SEQ 020)**.

432 o When Form 8271 is present, one of the following Tax Shelter group items must be present on the first occurrence: Tax Shelter Name –1 **(SEQ 030)** or Tax Shelter Registration Number –1 **(SEQ 040)** or Name of Person Who Applied for Registration –1 **(SEQ 050)** or Tax Shelter Identifying Number –1 **(SEQ 060).**

31. Form 8283

o Only Field Format validations apply.

32. Form 8379

620 o When Form 8379 is present, the following fields must be significant: either First Injured Spouse Box (SEQ 030) or Second Injured Spouse Box (SEQ 060), and either Community Property State–Yes Box (SEQ 150) or Community Property State–No Box (SEQ 160).

621 o When Community Property State Yes Box (SEQ 150) is equal to “X”, then Community Property State(s) Abbreviations (SEQ 170) cannot be blank.

622 o When Total Other Income-Joint Return (SEQ 210) is significant, then the sum of Total Other Income-Injured Spouse (SEQ 220) and Total Other Income-Other Spouse (SEQ 230) must equal Total Other Income-Joint Return (SEQ 210).

623 o When Standard Deduction-Joint Return (SEQ 510) is significant, then the following cannot be present: Itemized Deduction-Joint Return (SEQ 540), Itemized Deduction-Injured Spouse (SEQ 550) or Itemized Deduction-Other Spouse (SEQ 560).

624 o When Itemized Deduction-Joint Return (SEQ 540) is significant, then the sum of Itemized Deduction-Injured Spouse (SEQ 550) and Itemized Deduction-Other Spouse (SEQ 560) must equal Itemized Deduction-Joint Return (SEQ 540).

625 o When Exemptions-Joint Return (SEQ 570) is present, then either Exemptions-Injured Spouse (SEQ 580) or Exemptions-Other Spouse (SEQ 590) must be present and Exemptions-Joint Return (SEQ 570) must equal Total Exemptions (SEQ 360) of Form 1040/1040A.

626 o When Credits-Joint Return (SEQ 600) is present, then the sum of Credits-Injured Spouse (SEQ 610) and Credits-Other Spouse (SEQ 620) must equal Credits-Joint Return (SEQ 600).

627 o When Estimated Tax Payments-Joint Return (SEQ 690) is significant, the sum of Estimated Tax Payments-Injured Spouse (SEQ 700) and Estimated Tax Payments-Other Spouse (SEQ 710) must equal Estimated Tax Payments-Joint Return (SEQ 690).

628 o When Form 8379 is present, Form 2555/2555EZ must not be present.

629 o When Form 8379 is present, the following fields on Form 1040/1040A/1040EZ must not be present: Foreign Street Address (SEQ 062), Foreign City, State or Province (SEQ 064), or Foreign Country (SEQ 066).

630 o When Form 8379 is present, the State Abbreviation (SEQ 087) of Form 1040/1040A/1040EZ cannot equal “AS”, “GU”, “MP”, “PR”, or “VI”. |

631 o When 8379 is present, Filing Status (SEQ 130) of Form 1040/1040A must equal “2” (Married Filing Joint) or Secondary SSN (SEQ 030) of Form 1040EZ must be present. |

33. Form 8396

o Only Field Format validations apply.

34. Form 8582

o Only Field Format validations apply.

35. Form 8582-CR

435 o When Multiply Line 11 by 50% (SEQ 200) is significant, it cannot be greater then $25,000.

o When Multiply Line 23 by 50% (SEQ 330) is significant, it cannot be greater than $25,000.

436 o When Special Allowance for Rental Activity (SEQ 210) is significant, Form 8582 **must be present**. |

When Special Allowance for Rental Activity (SEQ 340) is Significant, Form 8582 **must be present**. |

437 o Modified Adjusted Gross Income (SEQ 310) cannot be less than zero.

36. Form 8586

650-656 **Reserved** -|

657 o Flow-through Entity EIN **(SEQ 115)** must be numeric and the first two digits must equal a valid District Office Code. Refer to Attachment 7 for District Office Codes. |

658,659 **Reserved** -|

660 o Form 8586 – When Tentative Minimum Tax **(SEQ 310)** is significant, Form 6251 must be present. |

37. Form 8606

055 o SSN of Taxpayer with IRAs (SEQ 010) must be significant and equal to Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040/1040A.

056 o SSN of Taxpayer with IRAs (SEQ 010) on the second Form 8606 must be significant and equal to Secondary SSN (SEQ 030) of Form 1040/1040A and must not be equal to SSN of Taxpayer with IRAs (SEQ 010) on the first Form 8606. When both spouses are filing Form 8606, the Form 8606 for the primary taxpayer must precede the Form 8606 for the secondary taxpayer.

450 o Nondeductible IRA Name **(SEQ 009**) and SSN of Taxpayer with IRAs (SEQ 010) must be significant.

451 o Nondeductible IRA Name **(SEQ 009)** must contain a less-than sign immediately preceding the last name. If the name includes a suffix, another less-than sign is entered between the last name and the suffix. Allowable characters are: Alpha, hyphen (-), less-than (<), and space.

o Nondeductible IRA Name **(SEQ 009)** cannot contain the following: Two or more consecutive embedded spaces, a space or less-than sign in the first position, a less-than sign in the last position, more than two less-than signs, a space preceding or following a less-than sign.

38. Form 8615

006 o Parent Name Control (SEQ 045) must be significant and correctly formatted. See Section 7.01 for Name Control format.

251 o Child Taxable Income (SEQ 100) must equal Taxable Income (SEQ 820) from Form 1040/1040A.

253 o Parent Filing Status (SEQ 060) must equal "1", "2", "3", "4", or "5".

255 o Gross Unearned Income (SEQ 070) must be greater than $1400.

256 o Child Name (SEQ 010) must equal Name Line 1 (SEQ 060) of Form 1040/1040A.

257 o Parent Name (SEQ 040) and Parent SSN (SEQ 050) must be significant.

258 o Child SSN (SEQ 020) must be significant and within the valid ranges of SSN/ITIN's. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

39. Form 8801

665 o Total Tax Credits (SEQ 220) must be greater than zero.

40. Form 8812

475 o The following fields cannot equal "X": Amount on Line 5 – No Box (SEQ 043) or Amount on Line 8 – No Box (SEQ 073).

41. Form 8814

006 o Child Name Control (SEQ 015) must be significant and correctly formatted. See Section 7.01 for Name Control format.

261 o When one Form 8814 is present, Multiple F8814 Indicator (SEQ 030) cannot be significant. When more than one Form 8814 is present, Multiple F8814 Indicator (SEQ 030) of the first Form 8814 must be significant.

o Form 8814 Amount (SEQ 857) of Form 1040 must equal Form 8814 Tax (SEQ 220) from Form(s) 8814.

262 o Child Taxable Unearned Income (SEQ 170) must be greater than $700 and less than $7000.

264 o When Tax Exempt Literal (SEQ 040) is significant, Tax Exempt Amount (SEQ 050) must be significant.

o When Nominee Dist. Literal 1 (SEQ 060) is significant, Nominee Dist. Amount 1 (SEQ 070) must be significant.

o When Non-Taxable Literal (SEQ 080) is significant, Non-Taxable Amount (SEQ 090) must be significant.

265 o When Nominee Dist. Literal 2 (SEQ 120) is significant, Nominee Dist. Amount 2 (SEQ 130) must be significant.

266 o Child Name (SEQ 010) must be significant. Child SSN (SEQ 020) must be must be significant and within the valid ranges of SSN/ITIN/ATIN's. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

267 o Tax Amount Basis (SEQ 210) cannot be less than zero. When Tax Amount Basis (SEQ 210) is greater than zero and less than $700, Form 8814 Tax (SEQ 220) must be significant. When Tax Amount Basis (SEQ 210) is equal to or greater than $700, Form 8814 Tax (SEQ 220) must equal $105.

42. Form 8815

282 o Taxable Expenses (SEQ 190) must be greater than zero.

283 o If Filing Status (SEQ 130) of Form 1040/1040A equals "2" or "5", then Modified AGI (SEQ 240) of Form 8815 must be less than $**111,109**. If Filing Status equals "1" or "4", then Modified AGI (SEQ 240) must be less than $**69,099**.

43. Form 8820

750 o If Tentative Minimum Tax (SEQ 220) is significant, then Form 6251 must be present.

44. Form 8824

o Only Field Format validations apply.

45. Form 8826

751 o Subtract Line 2 from Line 1 (SEQ 030) cannot be less than zero.

752 o Total Current Year Disabled Access Credit (SEQ 070) cannot be greater than 5000.

753 o If Tentative Minimum Tax (SEQ 240) is significant, then Form 6251 must be present.

46. Form 8828

288 o Original Loan Closing Date (SEQ 100) cannot be before January 1, 1991 (01011991).

47. Form 8829

186 o Home Business Expense (SEQ 703) of Schedule C must equal Schedule C Allowable Expenses (SEQ 450) from Form 8829.

193 o Total Hours Available (SEQ 065) cannot exceed the maximum number of available hours (24 hrs x the number of days in the year).

48. Form 8830

754 o If Tentative Minimum Tax (SEQ 220) is significant, then Form 6251 must be present.

49. Form 8834

755 o If Tentative Minimum Tax (SEQ 370) is significant, then Form 6251 must be present.

50. Form 8835

756 o If Tentative Minimum Tax (SEQ 370) is significant, then Form 6251 must be present.

51. Form 8839

480 o When Identifying Number Child (SEQ 080, 160) is significant, it must be within the valid ranges of SSN/ITIN/ ATIN's. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

481 o Eligible Child First Name - 1 (SEQ 010), Eligible Child Last Name - 1 (SEQ 020), Eligible Child Name Control - 1 (SEQ 030), Year of Birth - 1 (SEQ 040), and Identifying Number Child - 1 (SEQ 080) must be significant.

o If any field of the following "eligible child group" is significant, then all fields in that group must be significant: Eligible Child First Name (SEQ 010, 090); Eligible Child Last Name (SEQ 020, 100); Eligible Child Name Control (SEQ 030, 110); Year of Birth (SEQ 040, 120); and Identifying Number Child (SEQ 080, 160).

o Eligible Child Name Control (SEQ 030, 110) must be in the correct format. See Section 7.01 for Name Control format.

482 o Year of Birth - 1 (SEQ 040) and Year of Birth - 2 (SEQ 120) cannot be greater than current tax year.

483 o Identifying Number Child - 2 (SEQ 160) cannot equal Identifying Number Child - 1 (SEQ 080). Identifying Number Child - 1 (SEQ 080) and Identifying Number Child - 2 (SEQ 160) cannot equal Primary SSN (SEQ 010) or Secondary SSN (SEQ 030) of Form 1040/1040A.

484 o If Year of Birth - 1 or - 2 (SEQ 040, 120) is prior to "**1982**", then the corresponding Disabled Over 18 Box - 1 or - 2 (SEQ 049, 129) must equal "X".

485 o Modified AGI (SEQ 240) and Modified AGI (SEQ 390) must be less than $115000.

487 o If Eligible Child First Name - 1 (SEQ 010) is significant and Special Needs Box - 1 (SEQ 060) is significant and Foreign Child Box - 1 (SEQ 070) is not significant, then Allowed Tax Credit Child - 1 (SEQ 170 or 310) must equal $6000; otherwise, the maximum Allowed Tax Credit Child - 1 (SEQ 170 or 310) must be $5000.

o If Eligible Child First Name - 2 (SEQ 090) is significant and Special Needs Box - 2 (SEQ 140) is significant and Foreign Child Box - 2 (SEQ 150) is not significant, then Allowed Tax Credit Child - 2 (SEQ 200 or 330) must equal $6000; otherwise, the maximum Allowed Tax Credit Child - 2 (SEQ 200 or 330) must be $5000.

52. Form 8844

757 o If Tentative Minimum Tax (SEQ 290) is significant, then Form 6251 must be present.

53. Form 8845

758 o If Tentative Minimum Tax (SEQ 240) is significant, then Form 6251 must be present.

54. Form 8846

759 o If Tentative Minimum Tax (SEQ 250) is significant, then Form 6251 must be present.

55. Form 8847

760 o If Tentative Minimum Tax (SEQ 220) is significant, then Form 6251 must be present.

56. Schedule A (Form 8847)

o Only Field Format validations apply.

57. Form 8853

350 o Policyholder SSN **(SEQ 289)** must be numeric and within the valid range for an SSN or an ITIN.

o Insured SSN (SEQ 310) must be numeric and within the valid range for an SSN or an ITIN.

o Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

351 o MSA Acct Holder SSN **(SEQ 009)** must equal either the Primary SSN (SEQ 010) or the Secondary SSN (SEQ 030) of Form 1040. |

352 o **Reserved** -|

353 o **Reserved** -|

355 o If Employer Contributions - Yes (SEQ 140) equals "X", then Total Employer Contributions for Current Tax Year (SEQ 160) must be significant. **If Total Employer Contributions for Current Tax Year (SEQ 160) is significant, then Employee Contributions-Yes (SEQ 140) must equal "X".** |

356 o If Employer Contributions - Yes (SEQ 140) equals "X", then Employer Contributions - No (SEQ 150) must be blank, and vice versa. Both cannot be blank.

359 o One box of the following pairs must equal "X", both cannot equal "X", and both cannot equal space: (The error sequence number will always be set to the "yes" box.)
- Payments or Death Benefits - Yes (SEQ 320)
- Payments or Death Benefits - No (SEQ 330)

  and
- Insured Terminally Ill - Yes (SEQ 340)
- Insured Terminally Ill - No (SEQ 350).

362 o If Taxable MSA Distributions (SEQ 250) is significant, and Exceptions to 15% Tax box (SEQ 260) is blank, then Total Taxable MSA Distributions (SEQ 270) must be significant.

o If Taxable MSA Distributions (SEQ 250) is significant, and Exceptions to 15% Tax box (SEQ 260) is equal to "X", then Total taxable MSA Distributions (SEQ 270) must be blank.

363 o If Taxable MSA Distributions (SEQ 250) is significant, t hen either Exceptions to 15% Tax Box (SEQ 260) or Total Taxable MSA Distributions (SEQ 270) must be significant.

365 o **Reserved** -|

58. Form 8859 |

761 o Divide Line 3 by $20,000 (SEQ 140) cannot be greater than a decimal of 1.0000. |

59. Form 8861 |

762 o If Tentative Minimum Tax (SEQ 250) is significant, then Form 6251 must be present. |

60. Form 8862

602 o Year for Which You Are Filing This Form (SEQ 010) must equal the current tax year.

603 o Qualifying Child of Another Person (SEQ 030) must equal "X". If Qualifying Child of Another Person (SEQ 030) does not equal "X", the taxpayer is not eligible to file Form 8862 and claim Earned Income Credit.

604 o Form 8862 - When Schedule EIC is not present, **Did The Child Live With You In The USA YES Box-1 (SEQ 290)** of Form 8862 must be present.

605 o Form 8862 - When Schedule EIC is present, **Relationship Yes Box–1 (SEQ 060)** of Form 8862 must be present.

61. Form 8863

379 o The student entries in Part I and in Part II must begin on Line 1 in each part. No lines may be skipped when completing the student information in either part.

380 o Student's SSN (SEQ 035, 105, 175, 275, 315, 355, 395, 435) may be used only once to claim an education credit (Hope or Lifetime Earning). No Student's SSN may be used in Part I (Hope Credit) and Part II (Lifetime Learning Credit). Student's SSN must be within the valid ranges of SSN/ITIN/ ATIN's. Refer to Attachment 8 for valid ranges of Social Security/Taxpayer Identification Numbers.

381 o When student data is present in either Part I or Part II, each of the following fields must be significant for each student: Student's First Name, Student's Last Name, Student's Name Control, Student's SSN. (See Part II Record Layouts for Field Numbers.)

383 o To be eligible for Education Credit, the student must be either the Primary taxpayer, Spouse or a dependent. On Form 8863, each Student's SSN must equal either the Primary SSN (SEQ 010), the Secondary SSN (SEQ 030) or one of the Dependent SSN's (SEQ 175, 185, 195, 205, 215, 225). When the dependent information is on a statement, the Dependent SSN's from the statement are part of the requirement.

385 o Qualified Expenses Paid in the Current Tax Year (SEQ 040, 110, 180) for each student may not be over $2000.

387 o Hope Scholarship Credit (SEQ 240) cannot exceed $1500. Lifetime Learning Credit (SEQ 470) cannot exceed $1000.

62. Form 9465

167 o Monthly Payment Date (SEQ 310) must be significant and must be within the 01 to 28 range.

168 o Monthly Payment (SEQ 300) must be equal to or greater than $25.

172 o Amount Owed on Tax Return (SEQ 280) cannot be greater than $**25000**. |

710 o When Direct Debit information is present, Routing Transit Number (SEQ 330)(RTN) must contain nine numeric characters. The first two positions must be 01 through 12, or 21 through 32; the RTN must be present on the Financial Organization Master File (FOMF); and the banking institution must process Electronic Funds Transfer (EFT). See Section 6 for optional Routing Transmit Number validation.

o Bank Account Number (SEQ 340) must be alphanumeric (i.e., only alpha characters, numeric characters, and hyphens), must be left-justified with trailing blanks if less than 17 positions, and cannot equal all zeros.

If Routing Transit Number (SEQ 330) or Bank Account Number (SEQ 340) is significant, then Checking Account Indicator (SEQ 350) or Savings Account Indicator (SEQ 360) must equal “X”. Both cannot equal “X”.

63. Form Payment

010 o Form Payment - Taxpayer's Day Time Phone Number (SEQ 090) is a required field and cannot equal all zeros or all blanks.

395 o Primary SSN (SEQ 010) must equal Primary SSN (SEQ 010) of the Tax Form.

o When Filing Status (SEQ 130) equals "2", Secondary SSN (SEQ 020) must equal Secondary SSN (SEQ 030) of the Tax Form.

396 o Routing Transit Number (SEQ 030) (RTN) must contain numeric characters. The first two positions must be 01 through 12, or 21 through 32; the RTN must be present on the Financial Organization Master File (FOMF); and the banking institution must process Electronic Funds Transfer (EFT). See Section 6 for optional Routing Transit Number validation.

o Bank Account Number (SEQ 040) must be present, must be alphanumeric (i.e., only alpha characters, numeric characters, and hyphens), must be left-justified with trailing blanks if less than 17 positions, and cannot equal all zeros or all blanks.

o Type of Account (SEQ 050) must equal "1" or "2".

397 o Form Payment – **(Balance Due Payments)** When the return is transmitted to the IRS on or before April **16** of the current processing year, the Requested Payment Date (SEQ 080) cannot be later than April **16**.

o When the return is transmitted to IRS after April **16**, the Requested Payment Date (SEQ 080) cannot be later than the current processing date.

o The year of the Requested Payment Date (SEQ 080) must equal the current processing year.

398 o Form Payment (Estimated Payments) – The Requested Payment Date (SEQ 080) must be one of the following: 20010416 or 20010615, or 20010917.

o If the process date is before April 23 of the current processing year, the Requested Payment Date (SEQ 080) must be 20010416, or 20010615, or 20010917.

o If the process date is April 23 through June 19 of the current processing year, the Requested Payment Date (SEQ 080) must be 20010615, or 20010917.

o If the process date is June 20 through September 19 of the current processing year, the Requested Payment Date (SEQ 080) must be 20010917.

o The process date cannot be greater than September 19 for estimated payments.

The year of the Requested Payment Date (SEQ 080) must equal the current processing year.

690 o (Balance Due) – If Refund (SEQ 1270) of the Tax Form is greater than zero, then a Tax Type Code of Form 1040, Form 1040A or Form 1040EZ or Form 1040T cannot be present.

691 o (Balance Due) – Amount of Tax Payment (SEQ 060) cannot be greater than Amount Owed (SEQ 1290) of the Tax Form.

692 o Amount of Tax Payment (SEQ 060) must be greater than zero.

693 o When there are two occurrences of Form Payments, one of the occurrences must have a Tax Type Code (SEQ 070) of "1040S".

.10 Authentication Record

025 o For an On-Line return **(when the Self-Select PIN was not used)**, the following fields must be present: Jurat/Disclosure Version Indicator (SEQ 1319) of the Tax Form, and the Taxpayer Signature Date (**SEQ 070)** and Primary Date of Birth **(SEQ 010) of the Authentication Record.**

026 o For an On-Line return **(when the Self-Select PIN was not used)**, if Filing Status (SEQ 130) of the Tax Form equals "2", then the following fields must be present: Jurat/Disclosure Version Indicator (SEQ 1319) of the Tax Form and the Taxpayer Signature Date **(SEQ 070)** and Spouse Date of Birth **(SEQ 040) of the Authentication Record.**

522 o Primary Date of Birth **(SEQ 010)** in the **Authentication Record** of an On-Line Return **(when the Self-Select PIN was not used)** does not match data from the IRS Master File.

523 o Spouse Date of Birth **(SEQ 040)** in the **Authentication Record** of an On-Line Return **(when the Self-Select PIN was not used)** does not match data from the IRS Master File.

673 o A Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) and the Primary Date of Birth (SEQ 010) does not match the data on the IRS Master File.

674 o A Self-Select PIN is present in the Spouse Signature (1324) and the Spouse Date of Birth (SEQ 040) does not match data on the IRS Master File.

679 o When a Self-Select PIN is present, Primary Prior Year Adjusted Gross Income (SEQ 020) does not match Primary Prior Year Adjusted Gross Income on the IRS Master File.

680 o When a Self-Select PIN is present, Spouse Prior Year Adjusted Gross Income (SEQ 050) does not match the Spouse Prior Year Adjusted Gross Income on the IRS Master File.

681 o When a Self-Select PIN is present, Primary Prior Year Total Tax (SEQ 030) does not match Primary Prior Year Total Tax on the IRS Master File.

682 o When a Self-Select PIN is present, Spouse Prior Year Total Tax (SEQ 060) does not match Spouse Prior Year Total Tax on the IRS Master File.

689 o The year of Taxpayer Signature Date (SEQ 070) must equal current processing year.

.11 State Records

009 o The unformatted state record exceeds the maximum length.

400 o The Generic Record must be present in the state data packet.

o An Unformatted Record was present without the Generic Record, or the Unformatted Record preceded the Generic Record.

401 o The State Code (SEQ 010) in the Header Section of the Generic Record must be valid for the processing service center.

o The State Code must be consistent throughout Generic and associated Unformatted Records for the return.

402 o All "Required Entry" fields in the Entity Section of the Generic Record (SEQ 060, 075, 085, 095, 100) must be present.

403 o Any entry present in the Consistency Section of the Generic Record must equal the corresponding federal Tax Form entry.

404 o The DCN (SEQ 020) of the Generic Record must equal the DCN of the federal Tax Form.

o The DCN (SEQ 020) of the Generic Record must equal the DCN (SEQ 020) of the Unformatted Record.

405 o Each Form W-2 associated with a State Record must contain a valid State Abbreviation in State Name (SEQ 370, 440) when there is a significant entry in State Income Tax (SEQ 400, 470).

406 o An out of service center "District Office (DO) is permitted when State Data is present; or when Processing Site equals "C" (Andover) and at least one of the following is present: Form 2555, Form 2555-EZ, an **Address Ind (SEQ 097)** of the Tax Form equal to "3"; **a State Abbreviation (SEQ 087) of the Tax Form equal to "AS", "GU", "MP", "PR", or "VI".** |

407 o The Return Sequence Number (RSN) (SEQ 023) of the Generic Record must equal the RSN of the Federal Tax Form.

408 o When On-Line-State-Return (SEQ 049) of the Generic Record is equal to "O", the Transmission Type Code **(SEQ 170)** of the TRANS Record A (TRANA) must equal "O", and vice versa. |

.12 Summary Record

027 o Electronic Return Originator Name **(SEQ 010)** must be significant.

o **Electronic** EFIN of **ERO (SEQ 020)** must be significant and equal to EFIN of Originator **(SEQ 008b)** of Tax Return Record Identification Page 1.

151 o Number of Logical Records in Tax Return **(SEQ 040)** must equal the total logical record count computed by the IRS.

152 o Number of Forms W-2 **(SEQ 050)** must equal the number of Forms W-2 computed by the IRS.

153 o Number of Forms W-2G **(SEQ 060)** must equal the number of Forms W-2G computed by the IRS.

154 o Number of Forms 1099-R **(SEQ 070)** must equal the number of Forms 1099-R computed by the IRS.

155 o Number of Schedule Records **(SEQ 080)** must equal the number of schedule records computed by the IRS.

156 o Number of Form Records **(SEQ 090)** must equal the number of form records computed by the IRS.

157 o Number of Statement Record Lines **(SEQ 100)** must equal the number of statement record lines computed by the IRS.

438 o For On-Line returns, the IP Address (SEQ 190) must contain at least one period (.).

490 o If Year of the Electronic Postmark Date **(SEQ 260) is present, Year of Electronic Postmark Date** must equal the current processing year.

491 o If one of the three fields is present, then all of the following fields must be present: Electronic Postmark Date **(SEQ 260),** Electronic Postmark Time **(SEQ 270)**, Electronic Postmark Time Zone **(SEQ 280)**.

493 o Software Identification Number **(SEQ 230)** must be present.

685 o Number of Preparer Note Records (SEQ 110) must equal the number of preparer notes computed by the IRS.

686 o Number of Election Explanation Records (SEQ 120) must equal the number of election explanations computed by the IRS.

687 o Number of Regulatory Explanation Records (SEQ 130) must equal the number of regulatory explanations computed by the IRS.

688 o Count of Authentication Record (SEQ 140) must equal the count of authentication record computed by the IRS.

Section 12 - Federal/State Electronic Filing Specifications

.01 What Is Federal/State Electronic Filing

Federal/State Electronic Filing is a cooperative one-stop filing program between IRS and state tax administration agencies. This program allows the filing of both federal and state income tax returns through the IRS Electronic Filing System. This effort represents one of the Service's programs in support of burden reduction for the tax preparation community and the taxpayers they represent.

The IRS will function strictly as a "data conduit" for electronic state returns. The term "data conduit" defines a strictly controlled process to receive, temporarily store, and then forward correctly formatted state data to the state tax administration agency.

.02 Federal/State Filing - Participating States

Thirty-seven states and the District of Columbia will participate in Tax Year **2000** Federal/State **e-file** Program. |

Each state will issue its own publications to detail the state's software specifications and testing requirements. Software developers will need to contact the appropriate state to obtain electronic filing publications. A roster of state electronic filing coordinators is included in item .12 of Section 12. Updated rosters of state coordinators will be available in the IRS Home Page and on the IRS Centralized Bulletin Board. Most states will place their specifications in the IRS Centralized Bulletin Board, Federal/State Library.

If there are any comments or suggestions regarding Part I, Section 12, please forward them to:

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Federal/State Filing Program
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.03 Data Communications

All e-file returns will be transmitted to two transmission centers, Austin Service Center and Tennessee Computing Center. The data communications procedures described in Section 1 will be the same for transmitting Federal/State electronic returns as for transmitting federal electronic returns. Federal/State electronic returns are to be transmitted based on the following state home center relationship:

Home Service Center	Transmit Site	States Supported
Andover	Austin	CT DC DE MD NJ NY PA RI VA **VT**
Austin	Austin	IA IL KS MO NM OK WI
Cincinnati	Tennessee	IN KY MI OH SC WV
Memphis	Tennessee	AL AR GA LA MS NC
Ogden	Austin	AZ CO **HI** ID MT ND NE OR UT

NOTE: IRS will restrict electronic filers to sending state returns as specified above or the Federal/State return will be rejected. For example, if a filer in North Carolina sends a South Carolina return to any service center other than Cincinnati, **the home center,** the return will be rejected. The North Carolina filer must request, through a revised application, that their EFIN be accepted at the Cincinnati Service Center (CSC) in order to transmit a South Carolina return to CSC. States may have additional restrictions.

IRS will reject Federal/State returns that are not submitted to the correct home service center. The correct home service center is always the center supporting the state of the taxpayer's residence. In other words, if it is a Federal/State electronic return, always transmit it to **the home** service center that supports the state. If it is a federal return only, always transmit it to your supporting home service center.

.04 Record Format General Description

The fifth series of federal records (after return, schedule, forms, and statement records) are the electronic state records. There are two different electronic state records, the "generic" and the "unformatted". A combination of these records make up the state return packet. The IRS record layouts for the generic and unformatted records are specified in the Part II Record Layouts.

The state records should be formatted following IRS and state specifications. All the tax information that the state requires is included in the state packet. The IRS does not augment the state packet in any way. The state records are considered logical records and all the specifications provided in Section 2 apply except for the following:

1. The counts entered in Number of Logical Records in Tax Return (Field 7) and Number of Form Records (Field 12) of the Summary Record must include a count for each state packet.

2. Increase the counts in Number of Logical Records in Tax Return (Field 7) and Number of Form Records (Field 12) by "1" for each state packet, whether there are one or ten records in the state packet. The IRS will reject the return if these counts are not accurate.

.05 File Format General Description

The Federal/State electronic filing process requires that participating electronic filers comply with the following file specifications:

1. A state packet cannot be filed without the associated federal return. The IRS will not accept more than one state packet per electronic return. The state packet can be associated with a federal refund, zero-balance or balance due return.

2. The state packet must be placed after the federal statement records and before the **preparer notes record**. Any other order will cause return rejection.

.06 File Format Fixed and Variable Length Options

Electronic filers can transmit Federal/State returns using the fixed or variable length options described in Section 2. State records transmitted to IRS using the variable format option are expanded by IRS into fixed format before the records are provided to the state. Some states require copies of the federal return within the unformatted state records. Since IRS expands these records to fixed format before they are provided to the state, in order for states to receive a "variable" format within the fixed format the following specifications apply to state records:

1. No data field in any state record should contain the following stream of characters or the return will be rejected by the Data Communications Subsystem:

   ****TRANA, ****TRANB, ****1040 PG01, ****RECAP, ****SUM.

2. State records must not contain the following data characters: "[" "]" "#" within the state's variable format. These are reserved by the IRS for use as delimiters.

3. The following delimiters may be used to transmit the unformatted state records as variable to the state:
   "{" instead of "[" and
   "}" instead of "]" and
   "$" instead of "#" and
   "!" instead of "*".

   The hexadecimal representations of these characters are:

Symbol	ASCII Hex	-|	Symbol	ASCII Hex	-|
[	5B	-|	{	7B	-|
]	5D	-|	}	7D	-|
#	23	-|	$	24	-|
*	2A	-|	!	21	-|

4. The IRS Record Layouts for generic and unformatted records contain the only valid Field Sequence Numbers for IRS processing. Any Sequence Number transmitted that is not listed, or any Sequence Number transmitted that duplicates a prior Sequence Number will cause rejection.

.07 Types of Characters

The character specifications provided in Section 5 for ALPHA, NUMERIC, and ALPHANUMERIC apply to state records. The section "Special Cases for Special Characters" does not apply to state records. For example, each state may have requirements which are different from IRS requirements for formatting the taxpayer's name and address.

.08 Acknowledgment File

Each file of electronic returns transmitted by an electronic filer will normally be acknowledged within forty-eight hours of receipt and, if the Federal/State return is accepted, the state packet will be available for state retrieval within twenty-four hours of IRS acknowledgment.

The ACK Key Record received by the transmitters will contain a State Packet Code. This code indicates whether a state packet was filed in conjunction with the accepted or rejected federal return. IRS acceptance of the federal return and receipt of the state packet **does not imply state acknowledgment or acceptance of the state tax return**.

The State Packet Code in the ACK Key Record will be blank if there is no state packet associated with the federal return, or will consist of the two character state abbreviation contained in the State Code field of the generic record. This is the only field in the ACK Key Record that is changed due to the presence of a state return packet. The Expected Refund or Balance Due field, the Duplicate Code field, and EFT Code field refer only to the federal return.

The state records are indentified in the ACK Error **Record by the Form Record Id Type ("STbbbb"),and Form Number ("0001bb" or "0002bb") Page Number and Form/Schedule Number.** |

Once a state packet is available for state retrieval, filers need to contact the respective state to resolve taxpayer problems. Error resolution for state returns is the responsibility of the state tax administration agency. The IRS will purge state packets thirty days from IRS acknowledgment of federal return acceptance. Electronic filers must contact the states to obtain state acknowledgment of state return receipt. -|

Section 12 - Federal/State Electronic Filing Specifications

.09 Record Format Fixed and Variable Examples

There are two different electronic state records, the "generic" and the "unformatted". A combination of these records make up the state packet.

1. Example of a variable Generic Record:

```
---------1---------2---------3---------4---------5---------6
123456789012345678901234567890123456789012345678901234567890

0276****ST    0001  PG01 123456789 0000001[0010]SC[0020]00570321
000116[0060]JANE TEST  DOE NOW 35 CHARACTERS R[0075]3440
LITTLE RANC H RD    NOW 35 CHAR[085]LADSON  NOW 22 CHAR
AC[0095]SC[0100]294566666666[0110]00018[0150]1[0155]01[0195]411
2[0200]3400[0310]10308V[0525]185[0550]185[0580]185[0650]B#
```

2. Example of a variable Unformatted Record that contains a "variable" federal record:

```
---------1---------2---------3---------4---------5---------6
123456789012345678901234567890123456789012345678901234567890

1004****ST    0002  PG02 123456789 0000001[0010]SC[0020]00570321
117551[0050]0318!!!!FRM   W2   PG01 123456789 0000001{0030}PAT
RICKCHILDS DBA LOW COUNTRY{0040}100 LIBERTY HALL R[00
55]D SUITE 102{0050}GOOSE CREEK SC 29445{0060}400006745{00
70}400002047{0090}400005100{0200}490{0210}36[0060]54{0220}227
{0230}3654{0245}3654{0255}53{0310}DOE   JANETEST {0320}3440
LITTLE RAN[0065]CH RD{0330}LADSON SC 29456{0380}171{0390}
3654{0400}SC{0500}S$02[0070]82[0105]S$#
```

.10 Validation of State Packet Rejection General Conditions

In most error conditions, existing Error Reject Codes will be used. The Error Reject Codes are cross referenced in Attachment 1 of this publication.

Section 12 - Federal/State Electronic Filing Specifications

.11 Validation of State Records

Most standard reject conditions for state records are listed in the preceding section. Additionally, filers must follow these specifications or the state record(s) could be rejected.

1. The state packet consists of the state generic record followed by all associated unformatted records for the taxpayer. A maximum of one state generic record, and zero to nine unformatted records can be contained in a packet. Only one state packet is allowed per federal return.

2. A generic record must be present in each state packet. Only one generic record is allowed per state packet. The generic record must precede any unformatted records for that tax return.

3. An unformatted record is not required; however, up to nine unformatted records are allowed per state return packet. If more than nine are present, the entire return is rejected with Error Reject Code 045.

4. The Header Section in the generic and unformatted records (SEQ 000 through SEQ 020) must be present.

5. The Record ID's in both the generic and unformatted records are checked for consistency. If inconsistent, the record is rejected. The Record ID consists of 26 characters, broken down as follows:

Record ID Type	6	(Both Records "STbbbb")
Form Number	6	(Generic Record "0001bb" Unformatted Record "0002bb")
Page Number	5	(Both Records"PG01b")
Taxpayer Identification Number	9	N (Primary SSN)
Filler	1	blank
Form/Schedule Number	7	N (Generic"0000001" Unformatted "0000001 to "0000009")

6. The State Code represents the taxpayer's residence state. The taxpayer's residence state may be different than the state of the taxpayer's address. State return packets are distributed to states based on the state code in the generic record. The state code must be a valid Federal/State Electronic Filing state. Valid states in Tax Year **2000** are:

Alabama.........AL
Arkansas........AR
Arizona.........AZ
Colorado........CO
Connecticut.....CT
Washington DC...DC
Delaware........DE
Hawaii...... ...HI
Georgia.........GA
Idaho...........ID
Illinois........IL
Indiana.........IN
Iowa............IA

Kansas..........KS
Kentucky........KY
Louisiana.......LA
Maryland........MD
Michigan........MI
Mississippi.....MS
Missouri........MO
Montana.........MT
North Dakota....ND
Nebraska........NE
New Jersey......NJ
New Mexico......NM

New York........NY
North Carolina..NC
Ohio............OH
Oklahoma........OK
Oregon..........OR
Pennsylvania....PA
Rhode Island....RI
South Carolina..SC
Utah............UT
Vermont........VT
Virginia........VA
West Virginia...WV
Wisconsin.......WI

The state code must be consistent throughout the generic record and all

.11 Validation of State Records

associated unformatted records for the taxpayer.

.11 Validation of State Records

7. The State Direct Deposit/Direct Debit Section should be blank if there is no direct deposit or direct debit at the state level. There is no connection between the federal and state direct deposit or direct debit fields since these can differ. Taxpayers may elect to have the federal and state direct deposit or direct debits in the same account, or they can chose different accounts.

8. If there is an entry in the State Direct Deposit/Direct Debit Section the IRS will verify the state Routing Transit Number (RTN). If the state RTN is not listed on the current Financial Organization Master File (FOMF) an indicator will be set for the state's future use. The return will not be rejected.

9. The following Entity Section fields of the generic record must be significant or the returns will be rejected by the IRS: Name Line 1 (SEQ 060), Address Line 1 (SEQ 075), City (SEQ 085), State Abbreviation (SEQ 095), and Zip Code (SEQ 100).

10. Entries in the Consistency Section of the generic record, when not blank, must correspond to the same entries on the federal return. If an entry is significant (i.e., not blank), it will be compared to the federal return. If a Consistency Section entry does not match the corresponding federal entry, the return will be rejected.

    To the extent possible, the Sequence Numbers for Forms 1040, 1040A, and 1040EZ are the same for the equivalent fields. If no Sequence Number is given, the field does not exist for that form.

Generic Record Consistency Section		1040	1040A	1040EZ
		----Sequence Number----		
150	Federal Filing Status----------------	130	130	(See note)
155	Total Federal Exemptions-------------	360	360	(See note)
160	Wages, Salaries, Tips----------------	375	375	375
165	Taxable Interest---------------------	380	380	380
170	Tax Exempt Interest------------------	385	385	385
175	Dividends----------------------------	395	395	
180	State/Local Income Tax Refund--------	420		
185	Taxable Social Security Benefits-----	557	557	
190	Keogh Plan and SEP Deductions--------	650		
195	Adjusted Gross Income----------------	750	750	750
200	Standard/Itemized Deductions---------	789	789	
205	Earned Income Credit-----------------	1180	1180	1180

Note: The Generic Record Federal Filing Status (SEQ 150) and the Total Federal Exemptions (SEQ 155) can contain an entry when the corresponding federal form is a Form 1040EZ and IRS will not reject the Federal/State return.

.11 Validation of State Records

11. The numeric fields (SEQ 360 - SEQ 675), if not blank, will be checked for format.

12. The IRS will check the Declaration Control Number (DCN) in the federal Form 1040, 1040A, or 1040EZ against the Declaration Control Number (SEQ 020) of the Generic and Unformatted Records and reject both the federal and state returns if these are not equal.

13. The IRS will check the Return Sequence Number (RSN) in the federal Form 1040, 1040A, or 1040EZ against the Return Sequence Number (SEQ 023) of the Generic Record and reject both the federal and state returns if these are not equal.

14. The IRS will check all Federal/State returns for the following fields on Form(s) W-2: If "State Income Tax 1" (SEQ 400) contains a positive value, then "State Name 1" (SEQ 370) should contain a Standard Postal State Abbreviation. If "State Income Tax 2" (SEQ 470) contains a positive value, then "State Name 2" (SEQ 440) should contain a Standard Postal State Abbreviation. If this is not done, both the federal and state returns will be rejected with Error Reject Code 405.

15. If the federal return is an On-Line return, the associated state return must also be an On-Line return. IRS will check the On-Line-State-Return (SEQ 049) indicator of the state Generic Record. If these do not match, the Federal/State return will be rejected.

16. The following IRS Error Reject Codes are used exclusively for errors in the state return packet:

    009 STATE RECORD –

    The unformatted state record exceeds the maximum length.

    400 STATE RECORD -

    The Generic Record must be present in the state data packet.

    An Unformatted Record was present without the Generic Record, or the Unformatted Record preceded the Generic Record.

    401 STATE RECORD - - STATE CODE (SEQ 010)

    The State Code (SEQ 010) in the Header Section of the Generic Record must be valid for the processing service center.

    The State Code must be consistent throughout Generic and associated Unformatted Records for the return.

.11 Validation of State Records

402 STATE RECORD - - ENTITY SECTION

All "Required Entry" fields in the Entity Section of the Generic Record (SEQ 060, 075, 085, 095, 100) must be present.

403 STATE RECORD - - CONSISTENCY FIELDS

Any entry present in the Consistency Section of the Generic Record must equal the corresponding federal Tax Form entry.

404 STATE RECORD - - DECLARATION CONTROL NUMBER (DCN)

The DCN (SEQ 020) of the Generic Record must equal the DCN of the federal Tax Form.

The DCN (SEQ 020) of the Generic Record must equal the DCN (SEQ 020) of the Unformatted Record.

405 STATE RECORD - - FORM W-2 CHECK

Each Form W-2 associated with a State Record must contain a valid State Abbreviation in State Name (SEQ 370, 440) when there is a significant entry in State Income Tax (SEQ 400, 470).

406 STATE RECORD -

An "out of service center" District Office (DO) is permitted when State Data is present; or when Processing Site equals "C" (Andover) and at least one of the following is present: Form 2555, Form 2555-EZ, an Address Ind (SEQ 097) of the Tax Form equal to "3"; a State Abbreviation (SEQ 087) of the Tax Form equal to "AS", "GU", "MP", "PR", or "VI". |

407 STATE RECORD - - RETURN SEQUENCE NUMBER (RSN)

The Return Sequence Number (RSN) (SEQ 023) of the Generic Record must equal the RSN of the Federal Tax Form.

408 STATE RECORD - - ONLINE RETURN INDICATOR

When On-Line-State-Return (SEQ 049) of the Generic Record is equal to "O", the Transmission Type Code (Field 15) of the TRANS Record A (TRANA) must equal "O", and vice versa.

.12 State e-file Coordinators

UPDATED 5/25/2000

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.12 State e-file Coordinators (continued)

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.12 State e-file Coordinators (continued)

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Oklahoma Tax Commission
http://www.oktax.state.ok.us
Darla Young, Coordinator
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.12 State e-file Coordinators (continued)

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E-mail:
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Help Desk (717) 787-4017
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Rhode Island Division of Taxation
http://www.doa.state.ri.us/tax
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E-mail:
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South Carolina Department of Revenue
http://www.dor.state.sc.us/dor
Keith Wicker, Coordinator
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301 Gervais Street
Columbia, SC 29214

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Phone (803)898-5541
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Utah State Tax Commission
http://txdtm01.tax.ex.state.ut.us
Douglas D. Hansen, Coordinator
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Vermont Department of Taxes
Rhonda Grenier, Coordinator
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Virginia Department of Taxation
http://www.tax.state.va.us
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West Virginia Tax and Revenue
http://www.state.wv.us/taxrev
Jeff Anderson, Coordinator
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Charleston, WV 25301

E-mail:
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Help Desk (304) 558-8655
Fax (304) 558-1991

.12 State e-file Coordinators (continued)

Wisconsin Department of Revenue
http://www.dor.state.wi.us
Maria R. Kellett, Coordinator
(P.O. Box 8977 zip 53708)
4638 University Ave., Rm. 215
Madison, WI 53705

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Section 13 – Self-Select PIN for *e-file* Specifications

01. <u>What is the Self-Select PIN for *e-file*?</u>

The Self-Select PIN for *e-file* is a NEW program that begins in January 2001. It allows taxpayers to electronically sign their *e-filed* return by selecting a five-digit Personal Identification Number (PIN). It eliminates the requirement for Form 8453 in most cases.

If there are any questions or comments regarding Section 13 should be sent to:

Internal Revenue Service
Thomas Bruce, OP:ETA:I:T, NCFB C5-120
5000 Ellin Rd.
Lanham, MD 20706

Phone: (202) 283-7846

02. <u>Taxpayer Eligibility Requirements</u>

The following taxpayers are eligible to participate:

- Taxpayers who filed Form 1040, 1040A or 1040EZ for Tax Year 1999
- Taxpayers who did not have a requirement to file for Tax Year 1999, but have filed previously
- First time filers who are sixteen or older on or before December 31, 2000
- Military personnel residing overseas with APO/FPO addresses
- Taxpayers residing in the American possessions of the Virgin Islands, Puerto Rico, American Samoa, Guam and the Northern Marianas, or with foreign country addresses

Returns for the following taxpayers are NOT eligible for Self-Select PIN for e-file:

- Decedents
- Legal or illegal aliens with Social Security Numbers not valid for employment (Citizenship Code of C or D)
- Taxpayers under the age of sixteen
- Taxpayers required to file a Form 2120 (Multiple Support Declaration), Form 8283 (Non-Cash Charitable Contribution) or Form 8332 (Release of Claim to Exemption for Children of Divorced or Separated Parents). These forms need to be attached to a Form 8453 or Form 8453-OL.

03. Data Validation

The following fields must be present for the taxpayer when using the Self-Select PIN for *e-file*:

Primary:

Social Security Number
Name Control
Date of Birth

From Tax Year 1999 return, taxpayer's original submission prior to any adjustment:

Adjusted Gross Income (AGI)
Total Tax (TT)

If Married Filing Joint:

Spouse Social Security Number
Spouse Name Control
Spouse Date of Birth

From Tax Year 1999 return, taxpayer's original submission prior to any adjustment:

Spouse Adjusted Gross Income (AGI)
Spouse Total Tax (TT)

If taxpayers had not filed jointly prior filing season, they are required to provide their respective AGI and TT amounts.

If a return was not filed in Tax Year 1999, then the AGI and Total Tax Fields are zero filled.

Note:

Taxpayers filing their 1999 tax return after November 1, 2000 are eligible to use the Self Select PIN for *e-file*. These taxpayers will need to submit zeroes for their Adjusted Gross Income and Total Tax. In the event their return is rejected due to a mismatch of AGI and TT they can resubmit their return using their actual values. The extract creating the Self Select PIN eligibles is being created in November and due to processing constraints, late filers may or not be included. Late filers can still use the Self Select PIN.

Validation of Data:

Adjusted Gross Income Total Tax	The AGI and TT is entered in whole dollar amounts. There will be a one dollar tolerance level.
Date of Birth	An exact match on day, month and year against Social Security Administration records.
PIN	The Personal Identification Number (PIN) is self-selected by the taxpayer. A PIN is required for the primary and secondary taxpayer. PIN is composed of 5 digits. All zeroes are not permitted.

04. IRS *e-file* Signature Authorization.

IRS *e-file* Signature Authorization will be retained by the Electronic Return Originator (ERO). The practitioner must provide a copy of this document to the taxpayer along with a copy of the completed tax return, either personally or by mail. This document authorizes an ERO to enter the taxpayer's Personalized Identification Number (PIN) as the taxpayer's signature on the taxpayer's electronic income tax return. If taxpayer(s) is not available to enter their PIN, the taxpayer(s) can authorize the ERO to enter the PIN for them by completing, signing and dating the IRS *e-file* Signature Authorization. If the taxpayer is unable to return the signed document to the practitioner's office, they may return it by mail or FAX.

05. Validation of Self-Select PIN for e-fil

The following Error Reject Codes are used for errors in Self-Select PIN for e-file.

670 o Tax Form – When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) and Jurat/Disclosure Version Ind (SEQ 1319) of the Tax Form, the Primary Date of Birth (SEQ 010) and Taxpayer Signature Date (SEQ 070) of the Authentication Record must be present.

671 o Tax Form – When a Self-Select PIN is present in the Spouse Signature (SEQ 1324), then Primary Taxpayer Signature (SEQ 1321) of the Tax Form and the Spouse Date of Birth (SEQ 040) of the Authentication Record must be present.

672 o Tax Form - When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) or in the Spouse Signature (1324), and Paid Preparer Data is present, then the PIN must be present in the Name of Paid Preparer (SEQ 1340).

For On-Line returns – When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) or in the Spouse Signature (1324), then Paid Preparer Data cannot be present.

673 o Authentication Record – A Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) and the Primary Date of Birth (SEQ 010) does not match the data on the IRS Master File.

674 o Authentication Record – A Self-Select PIN is present in the Spouse Signature (1324) and the Spouse Date of Birth (SEQ 040) does not match data on the IRS Master File.

675 o Tax Form – When a Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321) or the Spouse Signature (SEQ 1324), the PIN must be five digits and cannot be all zeros.

05. Validation of Self-Select PIN for e-fil (continued)

676 o Tax Form – When a Self-Select PIN is present and the Filing Status (SEQ 130) is “2” (Married Filing Jointly), a Self-Select PIN must be present for both the Primary Taxpayer Signature (SEQ 1321) and the Spouse Signature (SEQ 1324).

If Filing Status is other than (Married Filing Jointly), then the Spouse Signature (SEQ 1324) cannot be present.

677 o Self-Select PIN - The Primary Taxpayer is ineligible to participate in the Self-Select PIN program.

678 o Self-Select PIN - The Secondary Taxpayer is ineligible to participate in the Self-Select PIN program.

679 o Authentication Record – When a Self-Select PIN is present, Primary Prior Year Adjusted Gross Income (SEQ 020) does not match Primary Prior Year Adjusted Gross Income on the IRS Master File.

680 o Authentication Record – When a Self-Select PIN is present, Spouse Prior Year Adjusted Gross Income (SEQ 050) does not match the Spouse Prior Year Adjusted Gross Income on the IRS Master File.

681 o Authentication Record – When a Self-Select PIN is present, Primary Prior Year Total Tax (SEQ 030) does not match Primary Prior Year Total Tax on the IRS Master File.

682 o Authentication Record – When a Self-Select PIN is present, Spouse Prior Year Total Tax (SEQ 060) does not match Spouse Prior Year Total Tax on the IRS Master File.

683 o Tax Form – When a Self-Select PIN is present, the first six positions of the Name of Paid Preparer (SEQ 1340) must equal the Electronic Filer ID Number (EFIN) in the Declaration Control Number (DCN)(11 digits total).

684 o Tax Form - If Self-Select PIN is present in the Primary Taxpayer Signature (SEQ 1321), then Paper Document Indicator 1 (SEQ 150), or Paper Document Indicator 2 (SEQ 160), or Paper Document Indicator 3 (SEQ 170), or Paper Document Indicator 4 (SEQ 180) of Summary Record cannot be significant.

689 o Authentication Record – The year of Taxpayer Signature Date (SEQ 070) must equal current processing year.